

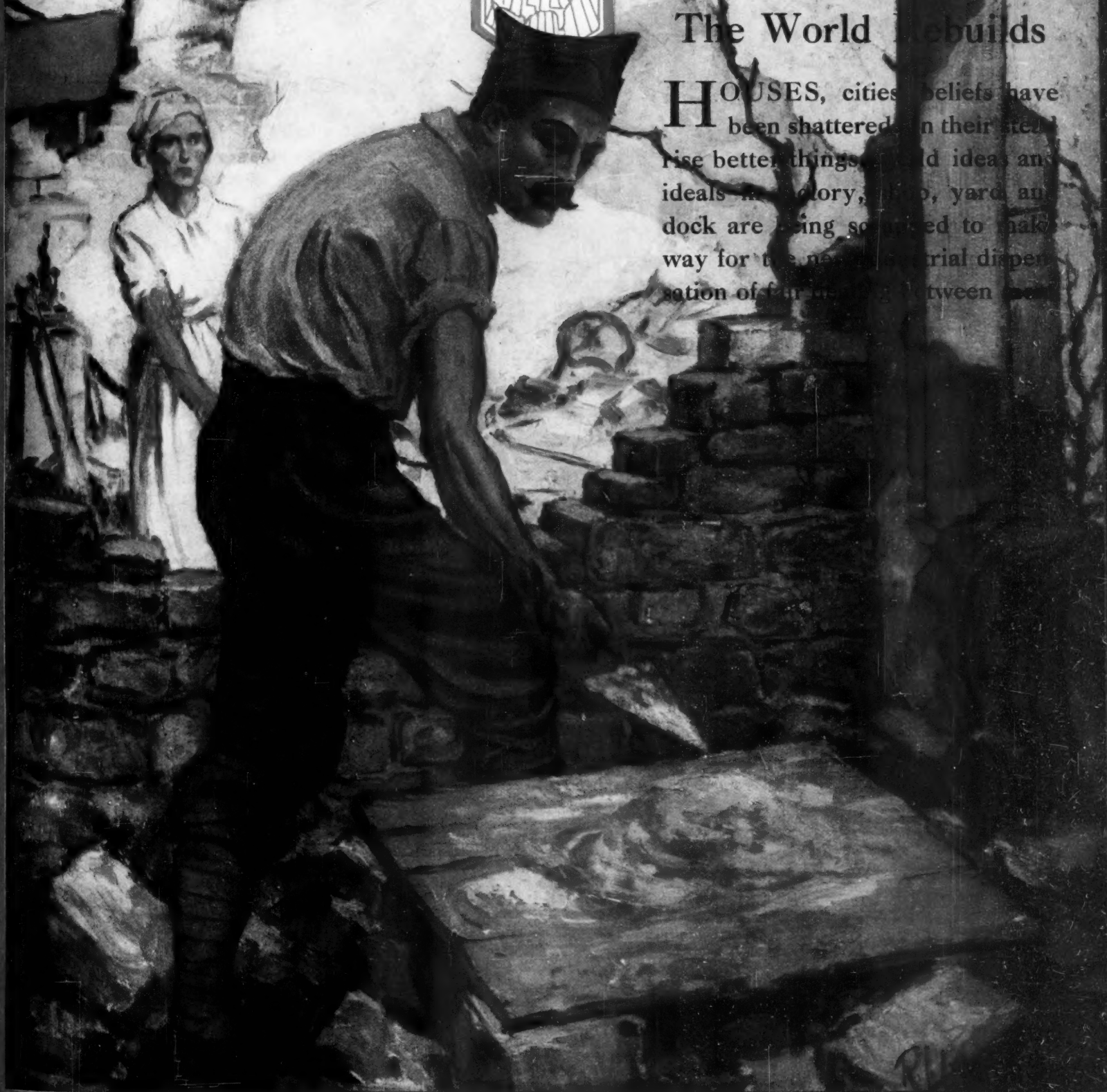
September 1919

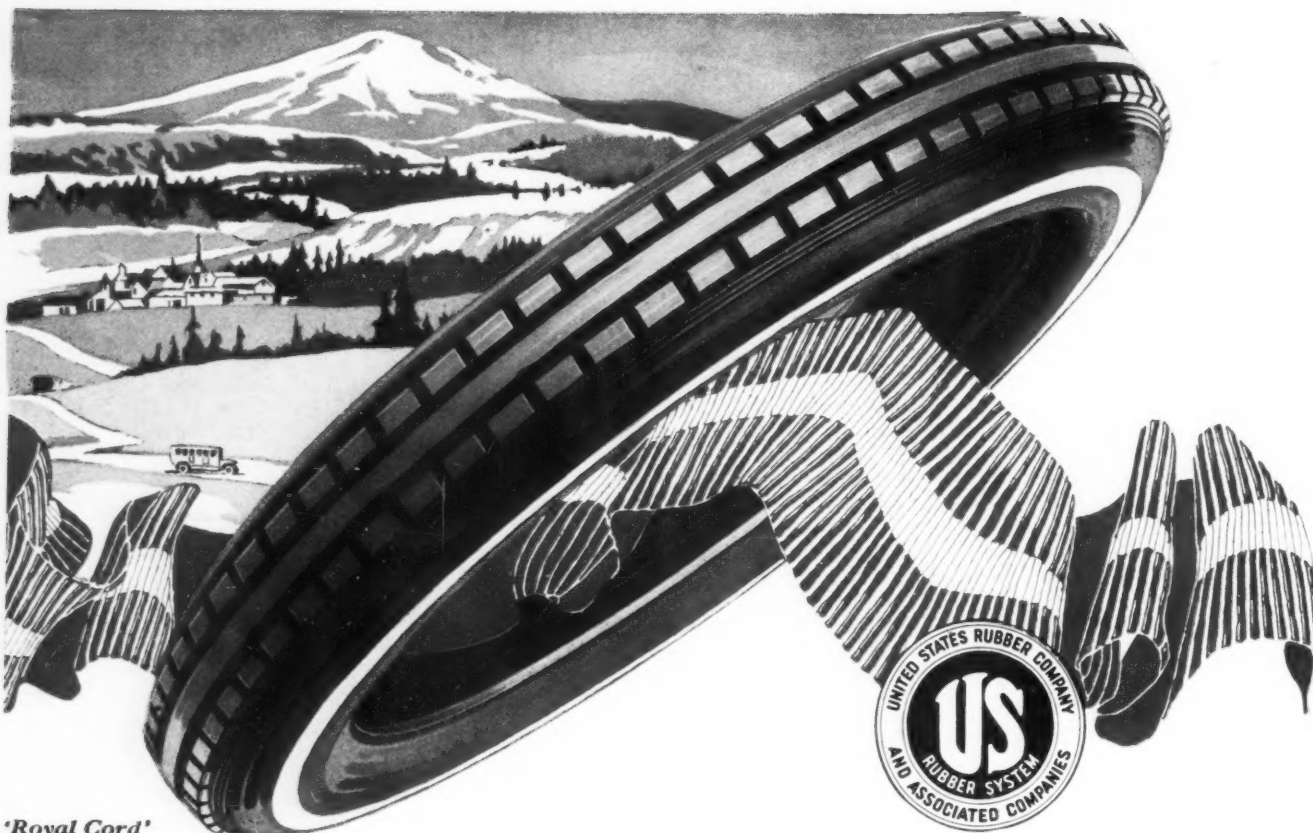
25 Cents

THE NATION'S BUSINESS

The World Rebuilds

HOUSES, cities, beliefs have been shattered in their steel rise better things, old ideas and ideals in factory, shop, yard and dock are being scrapped to make way for the new material dispensation of fair dealing between men.





'Royal Cord'
one of the five

The 35x5 'Royal Cord' tires on the rear wheels of my 12-passenger Hudson have totaled over 21,000 miles and are still in good condition. I think, if I had used 'Royal Cord' tires exclusively during the past year I would have saved a good many hundred dollars.—David Crockett, Tacoma, Wash.

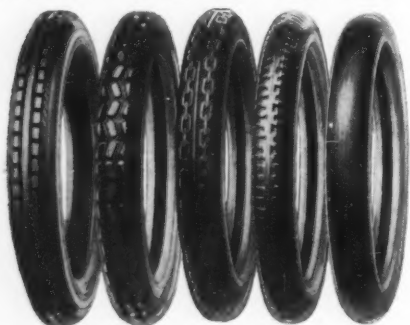
A 34x4 'Royal Cord' has made a total mileage of 43,091 miles on my 7-passenger Oldsmobile car on a stage run. Of this mileage over 18,000 miles was run on the right rear wheel.—B. Henry, Tacoma, Wash.

Two 37x5 'Royal Cords' have covered 28,000 miles on the rear wheels of my 11-passenger Stevens-Duryea passenger bus. Both tires are still in service, one having totaled to date 34,000 miles and is still in fair condition.—Karl Brown, Tacoma, Wash.

I have a 36x4½ q. d. 'Royal Cord' casing which made a total mileage of 32,386 miles on one of my 20-passenger Winton buses. The car weighs over 9000 pounds fully loaded and makes an average of 30 miles an hour. I have three other 'Royal Cords' each of which has totaled 25,440 miles on the rear wheels of this same car.

—Sumner and Tacoma Stage Co., Inc.
By C. A. Hansen, Pres.

'Royal Cord' 'Nobby' 'Chain' 'Usco' 'Plain'



A Tip from Tacoma

Tacoma is the center for many motor bus lines which operate in the mountains of Washington. It is their job to struggle up the rough, tough going of the foothills, then down the steep trails into the valleys—and thus to connect numerous widely separated points the railroads fail to reach.

With the unusual conditions in mind, it is a most significant fact that Tacoma stage drivers are virtually unanimous in their endorsement of United States 'Royal Cords'.

We have no desire to boast of long mileages. Too many conditions influence the service a tire may give. We merely quote these letters to bring home this fact:

'Royal Cords' are built to endure. Their value proves up in extra miles—extra dependability. It manifests itself in the extra service exemplified by 'Royal Cord' success on Tacoma stages.

Surely, tires that will stand up and keep on standing up under such merciless conditions must have the stuff you want in your tires.

For passenger and light delivery cars—'Royal Cord', 'Nobby', 'Chain', 'Usco' and 'Plain'. Also tires for motor trucks, bicycles and airplanes.

United States Tires are Good Tires

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THE NATION'S BUSINESS

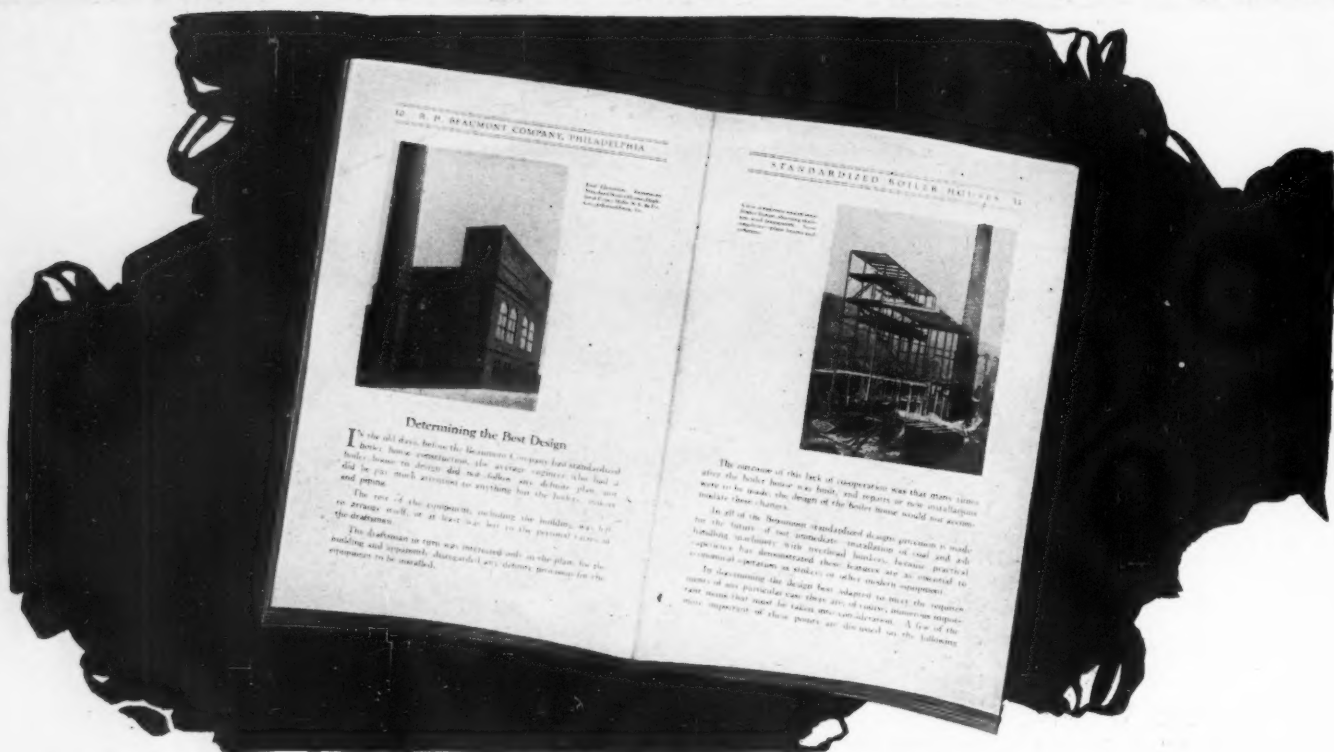
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A Beaumont Standardized Boiler House Will Meet *Your Individual Needs*

The Beaumont Company's 25 years of specialization in designing and constructing boiler houses of every type has demonstrated that the *basic* requirements of manufacturers are strikingly similar. The booklet above contains proof that with very minor changes one of the Beaumont Standardized Boiler Houses will meet the requirements of your particular plant.

Speed—Construction starts day after the order is given. Gangs at work instantly; kept at work steadily. No delay waiting for drafting and engineering work. Boiler house is ready in shortest possible time.

Economy—Precious days and equally precious dollars saved in erecting and equipping. Frequent repetition of similar operations—experienced workmen—lump sum purchasing—offers greatest possible value for least cost.

Satisfaction—*One contract only—one responsibility—ours.* Beaumont shoulders the whole job. Every integral part from beams to boiler approved by the best of engineering practice. Standardization eliminates all experimenting and guesswork. Contracts are taken for guaranteed maximum sum based on prices existing when contract is awarded, on cost plus percentage basis, or any other basis desired.

The Beaumont book on "Beaumont Standardized Boiler Houses" will prove valuable to you if you are confronted with the problem of determining the *best* design of boiler house for your plant. It will give you further facts on standardization as applied to boiler houses. This book will be sent you on request.

Beaumont
ONE CONTRACT
ONE RESPONSIBILITY

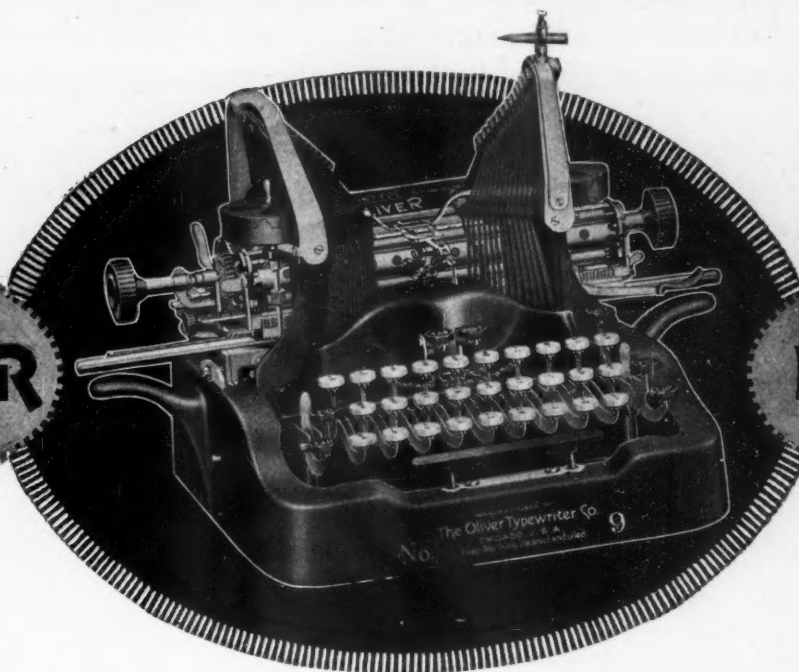
Beaumont Company specializes only on power plants and does not enter into any other kinds of engineering and construction work. It seems conservative, therefore, to claim that their organization is better qualified in size, knowledge and experience for this one class of work than any other in the country.

R·H· **BEAUMONT** CO.
STANDARDIZED BOILER HOUSES
PHILADELPHIA

**WAS
\$100**

**NOW
\$57**

OLIVER



NINE

A Stenographer's Advice On Typewriter Buying How to Save \$43

THE young lady who suggested this advertisement convinced the writer that too few people realize that the Oliver Typewriter has the usual keyboard. A definite propaganda, she insisted, had been spread to lead people to believe that the arrangement of letters on the Oliver keyboard was different, and therefore difficult.

This advertisement is to set people aright. It should be understood once and for all that the Oliver has the same universal arrangement of letters as on all standard typewriters. And it has improvements and simplifications not found elsewhere. Several hundred thousand stenographers use the Oliver daily.

The young lady brought up another point. She said many people might think that the new \$57 Oliver is a second-hand or rebuilt machine of an earlier model.

But note that this advertisement is signed by The Oliver Typewriter Company itself. This is a guarantee that the \$57 Oliver is the exact model formerly priced at \$100. Not a change has been made. It is a new machine. The latest product of our factory.

How We Both Save

The entire saving of \$43 comes from our new sales methods.

During the war we learned that it was unnecessary to have great numbers of traveling salesmen and numerous, expensive branch houses throughout the country. We were also able to discontinue many other superfluous, costly sales methods. You benefit by these savings.

Among the Large Users Are

United States Steel Corporation
Montgomery Ward & Company
Pennsylvania Railroad
Lord & Thomas
Columbia Graphophone Co.
Bethlehem Steel Company
National Cloak & Suit Co.
New York Edison Company
National City Bank of New York

Cluett, Peabody & Co.
Hart, Schaffner & Marx
Encyclopedia Britannica
American Bridge Company
Otis Elevator Company
Diamond Match Company
Fore River Ship Building Corporation
Boy Scouts of America
Corn Products Refining Co.
Boston Elevated Railway

Over 700,000 Oliver's have been sold. It is used by the big concerns, as listed below.

This Oliver Nine is a 20-year development. If any typewriter is worth \$100, it is this, our latest and best model.

Free Trial

We ship an Oliver Nine to you for five days free trial. If you decide to keep it, pay us at the rate of \$3 per month. If you return it, we even refund the transportation charges. What could be fairer, simpler? You may order an Oliver Nine for free trial direct from this advertisement. It does not place you under the slightest obligation to keep it.

Used machines accepted in exchange at fair valuation.

Or, you may ask for our free book entitled, "The High Cost of Typewriters—The Reason and the Remedy." This amazing book exposes the old way of selling and tells where the \$43 used to go.

Read the two-way coupon—then mail it today. Note how simple the whole plan is—how you deal direct with the manufacturer.

Canadian Price, \$72

THE OLIVER TYPEWRITER CO.

25-C Oliver Typewriter Bldg., Chicago (12.02)

THE OLIVER TYPEWRITER COMPANY

25-C Oliver Typewriter Bldg., Chicago

☐ Ship me a new Oliver Nine for five days free inspection. If I keep it, I will pay \$57 at the rate of \$3 per month. The title to remain in you until fully paid for.

My shipping point is.....
This does not place me under any obligation to buy. If I choose to return the Oliver, I will ship it back at your expense at the end of five days.

☐ Do not send a machine until I order it. Mail me your book—"The High Cost of Typewriters—The Reason and the Remedy," your de luxe catalog and further information.

Name

Street Address

City..... State.....

Occupation or Business.....


Mail Today—Don't Delay



An actual photograph of WILLIAMS' SUPERIOR WRENCHES taken from the height of the 57th story of the Woolworth Building, during construction, 750 feet above City Hall Park, New York City. Star in picture: Singer Building, 41 stories in height.

Williams' Superior Drop-Forged Wrenches

A BIG business, like a big building, requires a broad and sound foundation. For nearly half a century we have been designing and developing standard line of *Superior* Drop-Forged Wrenches. We now make and carry regularly 40 Patterns in about 1,000 sizes, with openings from 3/16 to 7 5/8 inches ready for prompt shipment—something *Standard* in design and size for every recognized trade need.

Our trade marks, "Vulcan" and  and "Agrippa" are known the world over wherever machinery or tools are used. They stand for *Superior* quality—the kind that guarantees service under the most severe conditions, for they represent our constant effort to maintain the high standard of excellence that has long been established for Williams' product.

Specify Williams' Wrenches or Tools when you order, and get *Superior* quality.

Catalog on request.

J. H. WILLIAMS & CO.

Western Office
and Warehouse:
24 So. Clinton St.
Chicago, Ill.

"The Wrench People"

General Offices:
24 Richards St.
Brooklyn,
N. Y.

**Heavily Insulated Gasoline
Car Saves Evaporation**

BE PREPARED!

Many of our customers acted on our previous suggestions—to be prepared for the coming heavy shipping season. They will not be found with a shortage of cars. If you failed to heed, look over your equipment *now*. Maybe you too have felt the stress of war time demands and run your cars to their limits. Or you will want more cars to take care of increased transportation. If your cars are idle, have them overhauled now. If you will want more cars later, order them now. Our Central factory at East Chicago has just been enlarged with additional space and facilities especially devoted to repair and rebuilding work. Our Western Plant at Sand Springs, Okla. (near Tulsa), and our Eastern works at Warren, Ohio, are exceptionally well equipped for taking care of disabled and "bad order" cars. Our representatives will gladly give you an estimate after carefully examining your equipment. Write us today.

GENERAL AMERICAN TANK CAR CORPORATION
BUILDERS LESSORS

General Offices, Harris Trust Building, Chicago
Plants at East Chicago, Ind.; Sand Springs, Okla.; Warren, Ohio
Sales Offices: 17 Battery Place, New York; 24 California St., San Francisco

General Service Tank Car

"What is packing anyhow?"

Our salesmen frequently comment on how often their friends, outside the business, ask the question—"What is Packing?"

Some of the ideas as to the meaning of the word are very amusing in their vagueness and it is very seldom that the average man realizes just what a big part this product plays in the efficiency and economy of the industrial machinery that is making the world better for us all.

So for all its seeming insignificance the story of what packing is would seem to be well worth telling and well worth reading by anyone.

* * *

AS a starter, consider Packing as something like the "washer" in your kitchen faucet. It prevents leakage—or ought to.

Now whenever steam is put to work—or water, gas, brine, or ammonia—packing is needed. It is needed to prevent leakage where gleaming rods slide smoothly in and out of cylinders, for leakage here means not only loss of steam or water, but actual waste of power.

And inside the cylinders of pumps, packing again saves power. With perhaps two hundred pounds pressure on one side of the piston, and a vacuum on the other, piston packing prevents leakage past the piston.

And sheet packing, cut or molded into gaskets, prevents leakage at joints of surfaces or piping.

So, fundamentally, packing guards against leakage.

But when it works against moving surfaces, packing is subject to wear—or it goes "dead," and loses its elasticity. This means replacement, shut down machinery and expense. So the buyer of packing must ask not only "Will it prevent leakage?" but also "How long will it last?"—which of course depends on the material and workmanship put into it.

And there's a third question, which the engineer will ask if you don't, "How much friction

does it cause?" For some packings prevent leakage merely by filling up the packing space as solidly as possible. Naturally such packing binds the moving rod—sometimes even scores it—and acts more or less as a brake. It is such serious faults as this that Johns-Manville has overcome through intelligent packing design.

So packing is not a thing to be bought at random—the right choice will save money by preventing leakage, by conserving power, and by its longer life.

As the pioneers in packing development we have placed packing design on a scientific basis, and out of experience, observation and facts have established a complete and standardized line that meets every plant requirement from among the minimum number of packings. Only in this way can packing be made to give a maximum of service for a minimum of cost.

Here is a partial list of Johns-Manville Packings: Sea Rings for outside packed Rods; Service Sheet, an all-around-the-plant sheet packing; Universal Piston for inside packed pumps; Keamsarge boiler, man and hand-hole gaskets; Mogul Coil Packing for valve stems and small rods; Siegelite Sheet for packing oils, gasoline and naphtha.

H. W. JOHNS-MANVILLE CO., New York City. 10 Factories—Branches in 63 Large Cities



Through—

Asbestos
and its allied products

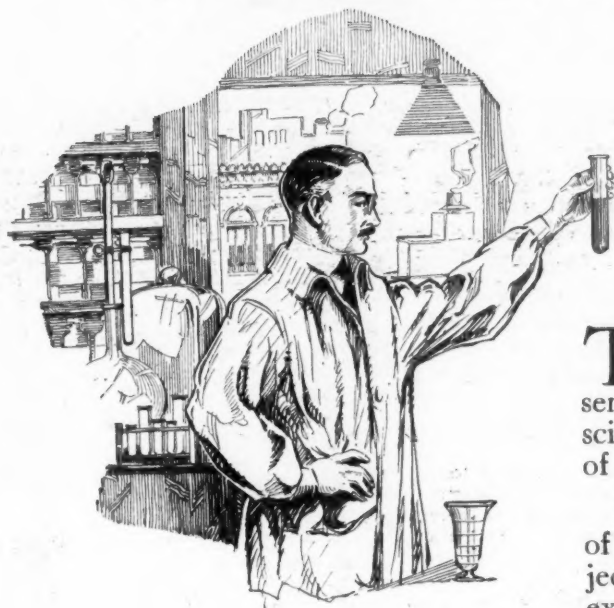
INSULATION
that keeps the heat where it belongs
CEMENTS
that make boiler walls leak-proof
ROOFINGS
that cut down fire risks
PACKINGS
that save power waste
LININGS
that make brakes safe
FIRE
PREVENTION
PRODUCTS

JOHNS - MANVILLE

Serves in Conservation

ANALYSIS!

—The Basis for Correct Procedure



THE BUSINESS world is a workshop—a laboratory in which analysis is the first essential of right activity. In business, as in any science, true analysis is essentially the province of specialists.

L. V. Estes Incorporated is an organization of proved, professional business analysts. Subjected to the test of their organized knowledge, experience, and facilities, any management practice is resolved into its elements of strength and weakness. This reduction to fundamentals is sound preparation for improvement.

Carefully made deductions from the Estes Analysis enable the executive to chart the course whereby he can eliminate the weaknesses of his organization, retain all its strength, and add new power for production.

In co-operation with the executive in charge, the Estes engineer then proceeds with the practical execution of the approved recommendations, first taking up those things most in need of immediate attention, but always keeping in mind the development and co-ordination of the complete and comprehensive program.

Further details of Estes Service are to be found in a booklet sent free to executives on request.



This trade-mark pledges to all clients of L. V. Estes Incorporated an industrial engineering service consistent with the Estes reputation for leadership and record of results.

L. V. ESTES INCORPORATED
—INDUSTRIAL ENGINEERS—

1503 Century Bldg., 202 South State Street, Chicago, Illinois

ESTES SERVICE

For Better Business Management

Barrett Specification Roofs

20 Years of Service Guaranteed—

IN the old days buying a roof very often proved to be something of a gamble.

Maybe you got just what you specified, and maybe not.

The cost per square foot was too often taken as the only standard of value—frequently to the owner's subsequent sorrow.

Today all this is changed.

It was the Barrett Specification which first made it possible for building owners everywhere to obtain, through their local contractors, a *standardized roof*, worked out by roofing engineers and based on scientific principles of modern roof construction.

Today we offer to *guarantee* Barrett Specification Roofs for a period of 20 years!

This guaranty is obtainable on any roof of 50 squares or more, in any

town of 25,000 population or over, and in smaller places where our Inspection Service is available.

It is a Surety Bond, issued by the U. S. Fidelity & Guaranty Company, of Baltimore.

To obtain this Surety Bond you have only to insert in your building Specifications the following:

"The roof shall be laid according to The Barrett Specification dated May 1, 1916, and the roofing contractor shall secure for me (or us) the 20-Year Guaranty Bond therein mentioned."

The guaranty costs you nothing. We merely require that the roofing contractor be approved by us and that we be given an opportunity to inspect the construction.

We shall be glad to send you a copy of *The Barrett Specification*, with diagrams ready for insertion in your building plans.

New York
Boston
Cleveland
Birmingham
Seattle
Youngstown
Nashville

Chicago
St. Louis
Cincinnati
Kansas City
Peoria
Toledo
Washington

Duluth
Richmond
Elizabeth

Milwaukee
Latrobe
New Orleans

Dallas
Bangor
Bethlehem

Salt Lake City
Atlanta
Columbus

Detroit
Johnstown
Philadelphia
Pittsburgh
Minneapolis
Baltimore
Lebanon
Buffalo

THE BARRETT COMPANY, Limited:
St. John, N. B.

The **Barrett** Company

Montreal
Halifax, N. S.

Toronto

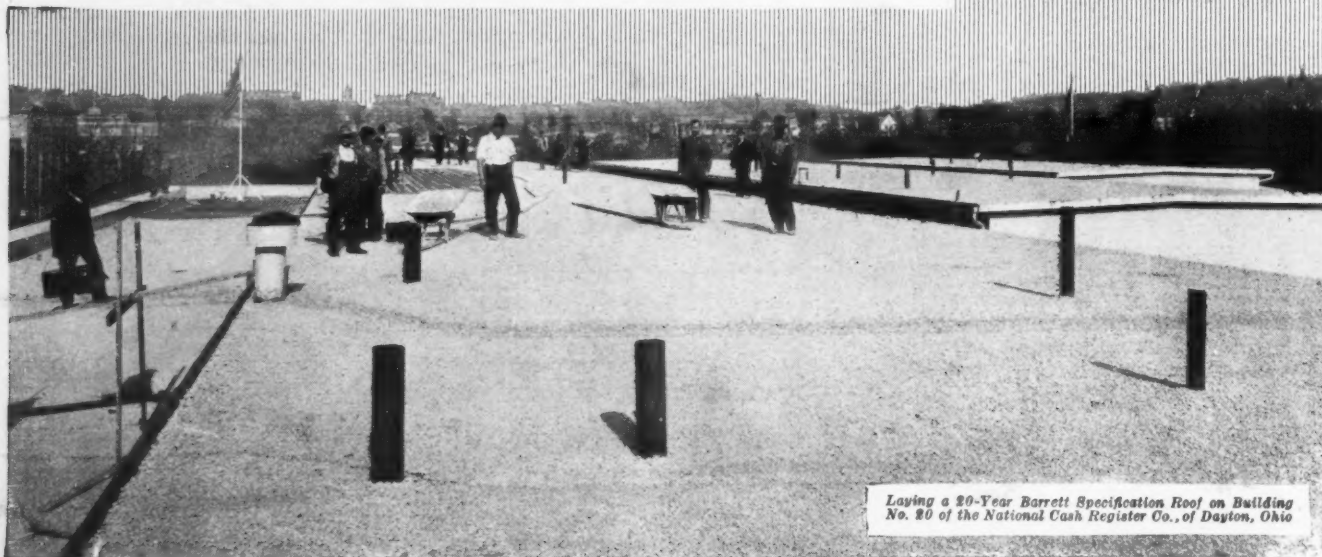
Winnipeg
Sydney, N. S.

Vancouver



The 20-Year Bond

We illustrate above the 20-Year Surety Bond that will be given on all roofs of 50 squares or over in towns of 25,000 population or more and in other places where our Inspection Service is available.



Laying a 20-Year Barrett Specification Roof on Building No. 20 of the National Cash Register Co., of Dayton, Ohio

THE NATION'S BUSINESS

A Magazine for Commerce Business Men

VOLUME 7, NUMBER 9.

SEPTEMBER, 1919

The Business Man's Plan

He has been giving a good deal of thought to the railroad problem lately and his belief—99 per cent. strong—is that the American people are hardly ready to follow Russia's lead

By a Member of the Staff

CONFUSIONS and strange cries irritate our prejudices and perplex our understanding of the railroad snarl. Plans are proposed at the slightest provocation. Some of them are half-baked—and a good many are not baked at all.

In all the bewilderment there is one voice that is sane, clear-cut, definite. That is the voice of the plain business man.

Six hundred and seventy thousand of him—big ones and little ones—were given the opportunity of expressing their beliefs and wishes through a referendum submitted by the Chamber of Commerce of the United States. They are men who know something of the subject. Transportation is part of their lives. They had forty-five days to study the propositions before their votes were cast. The plan adopted through the statement of their views was put before the House Committee on Interstate Commerce by George A. Post, of New York, chairman of the Chamber's Railroad Committee.

"We bear a message," said Mr. Post, "from the business men of the country intended to be helpful to those entrusted with the important duty of making the laws. In our presentation there is no tone of command, no boasting of awesome numerical strength, no threats of political reprisals, no appeal to class prejudices, but an earnest appeal to all interests to counsel together with patience and good humor for the common welfare."

The members of the Committee are: George A. Post, Manufacturer of New York, formerly President of the Railway Business Association, Chairman; Walter S. Dickey, President, Walter S. Dickey Clay Products Company, Kansas City Mo.; Judge F. C. Dillard, Lawyer of Sherman, Texas, formerly Vice President and General Counsel of the Chicago, Rock Island and Pacific Railway Company; Judge Stephen A. Foster, Lawyer of Chicago, Ill.; Edward J. Frost, Vice-President of William Filene's Sons Company, Boston, Mass., and formerly Traffic Manager for the Western Electric Company; Thomas F. Gailor, Bishop of Tennessee in the Protestant Episcopal Church, Seawance, Tenn.; Emory R. Johnson, Professor of Transportation and Commerce, University of Pennsylvania, Philadelphia; Charles E. Lee, Consulting Engineer of New York, formerly General Superintendent of the Boston and Maine Railroad; W. Z. Ripley, Professor of political economy, Harvard

University; George W. Simmons, Vice-President, Simmons Hardware Co., St. Louis; Alexander W. Smith, Lawyer of Atlanta, Ga.; Allyn A. Young, Professor of economics and finance, Cornell University, Ithaca, N. Y.; Harry A. Wheeler of Chicago, Ill.; formerly President of the Chamber of Commerce of the United States; Richard Waterman, Chamber of Commerce of the United States, Secretary.

COMPLETE returns from the referendum for remedial railroad legislation drafted by the Railroad Committee of the Chamber of Commerce of the United States show that 99 per cent. of the votes cast were opposed to government ownership of the transportation lines.

The National Chamber, therefore, goes on record against government ownership for the following reasons:

1. Under government ownership the development of railroad facilities would depend upon Congressional appropriations which would prevent the anticipation of the transportation needs of the country. Appropriations would not be made in the amount and at the time needed to insure adequate develop-

eighteen to twenty billions of dollars, at a time when other large financing must be done. It would be difficult for the government to dispose of the securities required to purchase the railroads, and it would be necessary for the government to secure from five hundred million to one billion dollars of new capital each year.

If the government were to assume the burden of financing the railroads at the present time when the war debt is so large, its interest rate would necessarily be as high as, if not higher than, the rate at which corporations could secure capital.

3. Government operation is seldom, if ever, as efficient as corporate management. Competition, the incentive to efficiency and progress in private enterprises, is absent from the government administration of affairs. Individual initiative is less, bureaucratic methods are more characteristic, and the services rendered are less progressively efficient.

4. While the government would presumably select officers and employees by means of efficiency tests, political influences would almost certainly be given weight in selecting men for official positions.

5. Unless the government adopted the policy of fixing low rates and fares with the intention that any resulting deficit from operations should be placed as an increased burden of taxes upon the general public, rates and fares would be higher under government than under private operation. Under government operation expenses rise in relation to income and the charges imposed by the government, if a deficit is to be avoided, must be higher than those which it would be necessary to permit railroad corporations to make.

6. The political effect on government ownership and operation of railroads in the United States might be serious. There are now about 500,000 civil employees of the government. The addition to the public service of 2,000,000 railroad employees, the majority of whom are voters, would constitute a force of about 2,500,000 government employees interested in controlling the policy of the government as regards wages, hours and conditions of service. Such a body of employees might easily exercise a controlling influence upon state and national politics.

The referendum vote as shown was cast on the proposition of adherence to the policy of corporate ownership and operation, with comprehensive regulation. By an equally over-



ment of the railroads. Political considerations would also control the amount of appropriations and the objects for which they were made.

2. To acquire the railroads the government would have to pledge its credit for

whelming vote the member organizations urged the return of the railroads to corporate operation so soon as remedial legislation can be enacted. The vote was in favor of adherence to the period of federal control as now fixed unless and until impossibility of remedial legislation in this period clearly appears.

The member organizations adopted the recommendation of the Railroad Committee that permission be granted for railroads to consolidate, in the public interest, with prior approval of government authority, in a limited number of strong competing systems, so located that each of the principal traffic centers of the country shall, if possible, be served by more than one system, the proposed grouping to be about the present large system, and not by territorial subdivisions of the country.

The position of the Committee on the consolidation feature, as stated in the call for the referendum vote, is as follows:

"The existence of so many railroad systems as there now are increases the difficulty of coordinating their facilities and services to the extent necessary to secure the most economical operation. Moreover, some of the present roads are financially weak and their continuance as separate systems complicates the government's problems of rate-making, of the common or joint use of equipment and facilities, of the regulation of security issues and of reestablishing the financial credit of the railroads as a whole. If the railroad systems that are financially unstable and the many systems of minor importance can (subject to the approval of the government, and under conditions which it may prescribe) be grouped, or consolidated, with a limited number of strong systems, a better service can be rendered and a larger development of lines, terminals and other facilities will be possible.

The Recommendation

"If such a plan shall be found by Congress to be constitutional and feasible, the committee recommends the nationalizing of railroad corporations engaging in interstate commerce, by the enactment of a statute similar in principle to that of the National Bank Act which provides a direct method of converting state banks into federal institutions."

The recommendation that railroad companies engaging in interstate commerce shall be required to change from state to federal corporations, the several states to retain the power of taxation and police regulation of the properties, was adopted.

Federal regulation of capital expenditures and security issues of railroads engaged in interstate commerce was favored.

Federal regulation of interstate rates affecting interstate commerce was favored.

A big majority vote was cast in favor of the Committee's recommendation for the Interstate Commerce Commission to retain all its present powers and be given certain additional powers, and for the enactment of a statutory rule providing that railroad rates and fares authorized by the Interstate Commerce Com-

mission shall be designed to yield the railroad companies, in each of the traffic sections that shall be designated by the Commission, aggregate revenues which will provide (after allotment has been made for renewals and depreciation) such net return upon a fair value (determined by public authority) of the property as will be sufficient to enable the carriers

purpose stated."

The recommendation that there be created a Federal Transportation Board whose general duty it shall be to promote the development of a national system of rail, water and highway transportation, and thus to make possible the articulation and economical use of all the facilities, including tracks, terminal and transfer facilities, of steam and electric roads, waterways, and hard-surface highways, was adopted.

Of the ten propositions submitted, all carried but one—payment into a fund a share of the excess earned by any railroad system, such fund to be used for strengthening general railroad credit and increasing general railroad efficiency.

The Chamber of Commerce of the United States, therefore, is committed by the referendum vote to the following general railroad plan.

1. Corporate ownership and operation with comprehensive regulation.

2. Return of roads to corporate operation so soon as remedial legislation can be enacted.

3. Adherence to the period of federal control now fixed, unless and until impossibility of remedial legislation in this period clearly appears.

4. Consolidation of lines in a limited number of strong competing systems.

5. Railroad companies to become federalized, the states to retain taxing and police powers over properties.

6. Federal regulation of capital expenditures and security issues.

7. Federal regulation of intrastate rates affecting interstate rates.

8. Statutory rule of rate making by the Interstate Commerce Commission.

9. Creation of a federal transportation board.

Germany and the Next War

FOREIGN TRADE is to have official attention in Germany, quite as of old, but with improvements. The chief of the German delegation at Versailles was not so occupied with the peace treaty that he could not, as head of the Foreign Office, get ahead with arrangements for commercial intelligence.

In the first place, Germans are in the future to have the same training for the diplomatic and the consular services, and the great social gap that has existed between these two services will be closed. Economic information of every sort about things outside Germany will be centralized in the Foreign Office, where there will be a Foreign Trade Department.

This department apparently is to have a staff of men taken from business enterprises, and it is to be supported partly by the government and partly by the industries receiving benefits from it. Although made up in this manner and controlled by the Foreign Office, it will have representatives of the Department of Economics and the Treasury.

This scheme looks imposing, but it loses some of its consequence when one gets to the government's appropriation—\$250,000 a year.

Shall We Russianize?

OF the thirty plans submitted to Congress for disposing of the railroad question, two are big and outstanding, on which for a month has been focussed the attention of all classes of people.

One is the plan to nationalize, or Russianize, the railroads, presented by the Brotherhoods with the intimation that failure to adopt this program would be followed by industrial revolution.

The other is the plan prepared by the Railroad Committee of the Chamber of Commerce of the United States and adopted by an overwhelming referendum vote by the business men of the country.

George A. Post, of New York, Chairman of the National Chamber's Railroad Committee, who, with Dr. Emory R. Johnson, Professor of Transportation and Commerce, University of Pennsylvania, presented the Chamber of Commerce plan to the House Committee on Interstate Commerce, thus summed up the situation:

"Our plan has been given careful consideration, section by section, and discussed in their home communities by thousands of business men in 48 states, who had opportunity to study it 45 days before voting on it. The section declaring against government ownership received 99 per cent. of the votes cast.

"Appearing before the Interstate Commerce Committee of Congress, we bear a message from the business men of the country intended to be helpful to those entrusted with the important duty of making the laws.

"I do not believe the people of the United States are ready to take even the first step toward the nationalization of industry. The experiments along this line in unfortunate Russia have been brought home too closely to the American people. I for one am confident that there is enough economic common sense in the country to prevail over any plan of any one interest."—THE EDITOR.

to obtain at reasonable cost the capital required to furnish the public with adequate facilities and efficient and economical service.

Explaining this feature of the plan in the referendum call, the Committee said:

"The interests of the public require that the income of the railroad companies shall be sufficient to enable them to secure readily and economically the capital necessary to provide adequate facilities. In carrying out this principle special difficulty results from the fact that the same rates will yield the more prosperous companies greater revenue than they need while the less prosperous companies, due to their unfortunate situation or to their past history, are unable to secure income sufficient to enable them either to develop their facilities in proportion to the needs of the public, or to perform the services required by the section of the country in which the roads are located.

"The Most Practical Way—"

"YOUR committee believes that the most practical way to provide the railroads of the United States, as a whole, with adequate revenue and thus to reestablish railroad credit, is to authorize the Interstate Commerce Commission to divide the country into such traffic sections as may seem to the Commission wise, and to direct the Commission by a statutory rule to fix such rates and fares as will yield the railroad companies in each of such traffic sections aggregate revenues which will provide a sufficient net return for the

Gray Was Right!

The ploughman "plods his weary way"; he plods eight rough miles to break an acre and works more for his horse than vice versa, but—a new factor is improving matters

By ARCHER P. WHALLON



PLOWING is the foundation of all farm work, and it is the farmer's hardest task—his peak load. To plow a single acre the farmer with a single team and a walking plow must walk eight miles. Some arithmetical sharp has arrived at the conclusion that to plow a square mile the man and team would have to walk 5,280 miles. To plow three townships, the plowman must travel as far as from the earth to the moon and back again with a little hike of 60,000 miles left over.

Is it any wonder that "The ploughman homeward plods his weary way?"

Now what does this labor of plowing mean in terms of man and horse power? What is a day's plowing? The Missouri College of Agriculture estimates that it requires an average of 3.4 hours man labor and 9 hours horse labor to plow an acre of land. The farmer with a four horse gang plow with two twelve-inch bottoms plowing six inches deep will plow an average of 4.12 acres in a day of 9.6 hours. With a three horse single bottom riding plow, with a fourteen or sixteen-inch bottom, he will average 2.5 acres, and with a two horse walking plow, but 1.75 acres per day.

Consider, then, the task that every year confronts the American farmer.

It is estimated that there are about 6,700,000 farms in the United States, totaling about 478,451,750 acres of improved land. The population classed as rural is estimated at about forty-nine millions, and of these six millions is a reasonable estimate of the number of actual farmers and farm laborers who must feed and clothe a population of more than a hundred million before any exportation of agricultural products is possible.

The motive power for the consummation of the farmer's great task has been, up to the past few years, almost wholly the muscle of

the draft animal, not one acre in ten-thousand being plowed by mechanical power. Yet, with all that can be said in his favor, the horse is the most inefficient motive power in existence, and he is the heaviest burden on the food producing capacity of the world—a burden that ultimately must be removed if humanity is to escape famine.

The latest figures available before the war place the number of horses and mules in the United States at around 25,000,000 and that of Europe at 41,346,000. Half of these numbers were farm horses. Now—with due respect to his long service for humanity—the working efficiency of the horse is low and the expense of his upkeep high. The average farm horse has a maximum walking draft at a speed of two and a half miles an hour of one half his own weight, and a twelve-hundred pound horse may develop four mechanical horse power—but these figures can be maintained but for a few minutes at a time.

The Case Against Dobbin

IT is commonly allowed that the steady draft load for a horse for a ten-hour day is but a little more than one tenth his weight, and he delivers but from two to seven per cent of the energy contained in the food he consumes. He works on an average 100 days in the year, but he eats and requires attention every day in the year.

The figures of the United States Department of Agriculture place the annual maintenance of a horse at a total cost of \$150 (a before-the-war figure that should be doubled to-day). In terms of produce that means three tons of hay, fifty-three bushels

of oats, and a like quantity of corn, or the crops from two and three-tenths acres of hay, one and eight-tenths acres of oats, and two acres of corn.

In other words, every individual of the twenty-five million horses and mules of the country requires the crop from six and one-tenth acres of land that would otherwise be devoted to growing crops for mankind or to the production of cattle, sheep, and hogs.

This means around 150,000,000 acres of horse feed, which if planted in wheat would double the wheat production of the country.

So much for the blameless burden of the horse. But expensive (forty per cent of the farmer's working expense is horse care) and inefficient as he is, he is not numerous enough nor powerful enough to fill the demand for more farm power. Of the twenty-five million horses in the country before the war, close to a million have been taken by war's demands, and of the forty-one millions in Europe, probably half have been lost.

The horse cannot answer the farmer's call for more power—not in time. It takes three years to grow a horse, and it is not possible to combine them into sufficiently large power units to offset the prevailing farm labor shortage.

Just as the insistent demand for more labor output per individual caused the manufacturer to substitute machinery for man power, so will a similar greater demand, pressed by the economic pressure of the ir-

resistible demand for more food, force the farmer to substitute mechanical power for animal muscle. The tractor must largely supplant the horse on the farm as the motor vehicle has replaced him in the city.

Tractor power multiplies the capacity of labor from three to ten times, and it removes nine-tenths of the risk of farming. With the tractor the farmer can do more work, and better work, and he can do it when it ought to be done.

The most popular tractor at the present time ordinarily pulls three plow bottoms. The daily output of plowing varies greatly with the nature of the soil and the skill of the operators. One man plowing with a tractor and a three bottom gang plow will do more work than three men with teams and single furrow plows.

What this means to the farmer may well be understood when we remember that the farmer's work, more than any other work, is seasonal. The difference between early and late plowing, between planting in time and out of season, is to the individual farmer the difference between a good crop and crop failure, and in the aggregate to the world's peoples, that between plenty and famine.

The Kansas Agricultural Experiment Station has demonstrated that winter wheat grown on land plowed in August at a depth of seven inches produces a crop of thirty-two and thirty-four bushels to the acre, while that grown on the same kind of land, but plowed later, in September, at a depth of but three inches, gives a crop of but slightly over half as much, or sixteen and two-thirds bushels.

This experiment confirms the common knowledge of all farmers. Every farmer in the land would plow early and deep, if he could. Now, the tractor, though it may break and wear out, is not subject to fatigue, does not tire, is not overcome by heat. It can be worked longer hours—practically the twenty-four of the day if necessary.

The Enemy of Drudgery

NOW look at the oat crop. The farmer has in the spring a period of about two weeks during which he should prepare the land and sow his oats. Of the two weeks at his disposal a half is usually lost through inclement weather, and it figures down to less than a week of continuous working days to put in oats. Putting in an oat crop is hurry-up work. It needs a power that can be rushed to do it.

To corn, the king of crops, the soil of the country in 1917 paid a tribute of 3,159,494,000 bushels of a total value of \$4,053,672,000. Some idea of the immensity of the job of cultivating America's corn crop is had when we remember that it requires five-hundred miles of travel to cultivate a fifty acre field, that there were over 127,000,000 acres of corn in 1917, which gives us a total of 1,270,000,000 miles of cultivator travel—a figure that passes the understanding.

Now, corn raising with horses works out about like this: one man plows, prepares the ground for, plants, cultivates, and harvests, forty acres. With a tractor and a tractor cultivator he can do a better job with an even hundred acres.

Not only does the tractor enable the farmer to use gang plows and increase his plowing capacity, but it also eliminates the limitation of the size and combination of other farm machinery that has been imposed by the limited strength and endurance of the draft animal. The tractor farmer can use large ten-foot disc harrows, three-row listers, and the largest size implements of all kinds—and combinations of implements—plowing, fitting, and seeding a crop at one passage of the outfit. Again at harvest, a corresponding in-

crease of the labor output of the individual is possible. Ten-foot mowers and binders will become the prevailing types, and there will follow an introduction of combined harvester-threshers and stacker-harvesters into districts where they are as yet unknown.

Mechanical power means a revolution in farm methods; the power farmer of the future will produce foodstuffs at a fraction of their present cost, and it is even possible that the soil of the country will be tilled by a working population relatively, if not actually, smaller than that of to-day.

The tractor does not merely mean an increase in comfort and material resources; it means the maintenance and further evolution of democracy itself. It is an enemy of drudgery.

Take it the year round and the world over, men work for horses more than horses work for men. Chores the farmer has always with him, and of them horse care forms no small part. With the tractor it is different; the driver can shut off the power and that is all there is to it. Repairs or adjustments can wait his convenience. Nor is the labor of driving the tractor hard or exhausting. The horse has had no small share in driving the boys from the farm. Perhaps the voice of the tractor will call them back.

There is yet another aspect of tractor development; the possible effect that the wide spread distribution of mechanical power in the hands of the farmers of the country may have in the revival of local industries and of the small factory. It is conceivable that the farmer may become a manufacturer to a greatly increased extent; that he may engage in the canning, packing, and milling trades, making up the crude materials of his field into a finished product which might appropriate much of the high quality and honest merit of old-time craftsmanship.

The fear that, owing to its high initial cost, the tractor will crowd out the small farmer and that the farming of the future will be carried on by agricultural "trusts" is hardly justified. It is true that mechanical power allows the successful operation of agricultural enterprises of a size as yet unknown, but even these will fall far short of monopoly. Anyhow, the tendency of tractor manufacture is toward production of low priced machines, absolute mechanical perfection being a secondary consideration. The grain binder as compared with the cradle was a much more expensive machine than is the tractor compared with the horse. The age of power farming calls for a great increase in the working capital of the farms of the future, and their financing offers the opportunity of greatest public service open to the investing public.

Wheels Instead of Hoofs

"IN the sweat of thy face shalt thou eat bread"—thus in His anger spake the Lord to Adam—and thus it has been. At first the sons of man broke the soil with hand tools. After that they probably harnessed their wives and sons to crude plows. Then oxen were yoked, and their places were taken by horses and mules.

So the American farmer stumbled after his team, the hard clods tripping and hurting his feet, the burning sweat running down his forehead into his eyes. At the end of the furrow he dragged the heavy plow around, jerked the horses away from the rank grasses in the fence corner and started back the monotonous way that he had come. And forty per cent of his working expense was horse care.

The world crisis brought a necessity for more food at once with less labor for its production. A better form of power had to be developed—and it was. The tractor entered the scheme of things on the farm. It helped considerably in the raising of crops that, perhaps more than any other thing, are holding the shaken world together.

Can it be that this accomplishment has given us the means of expiating the curse that was laid upon Adam? Much remains to be done—the ideal type of machine is yet undetermined, and government experts say that few farms of less than 160 acres really need tractors. Mr. Whallon's story tells most entertainingly how the tractor is to minimize drudgery in the raising of bread.—THE EDITOR.

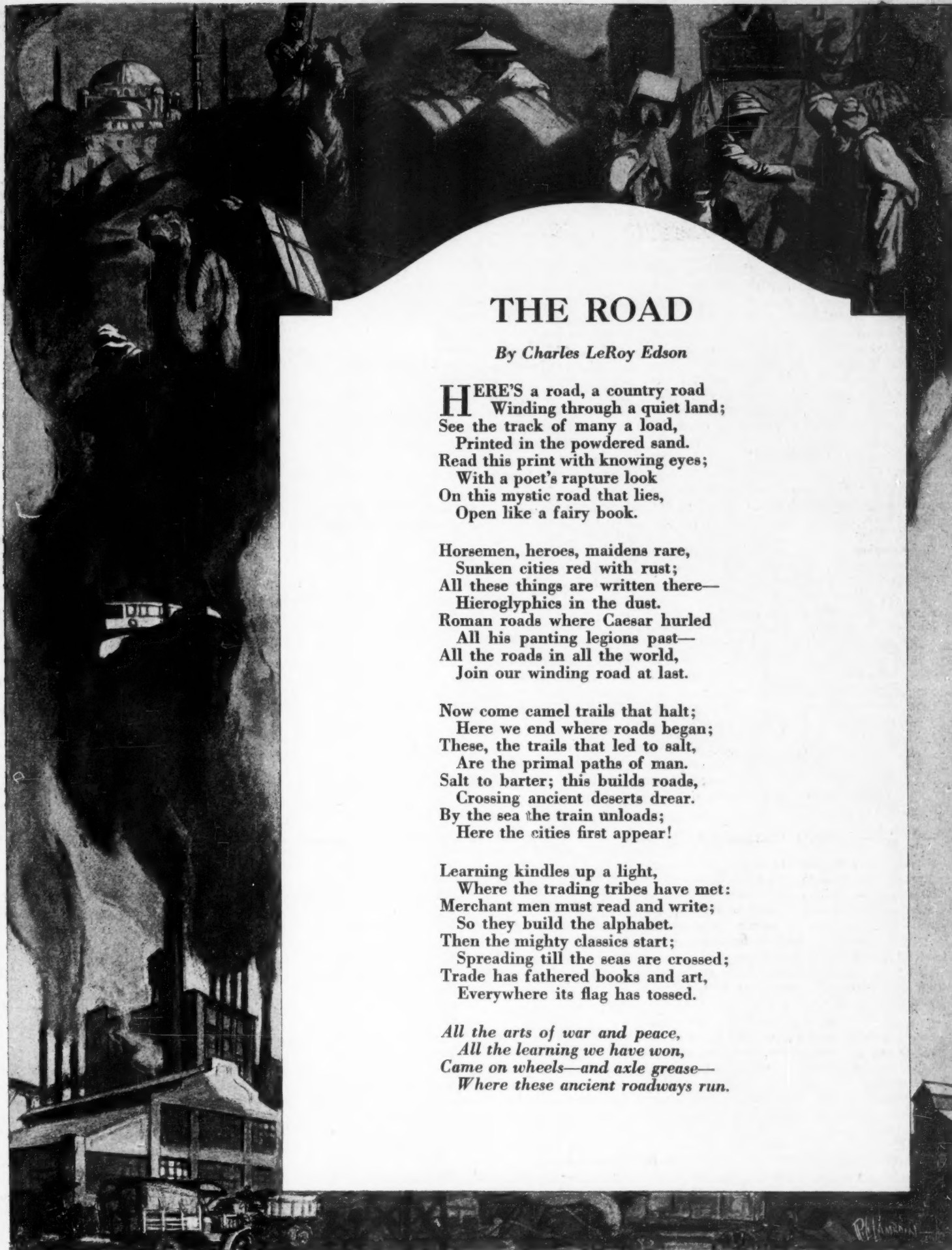
It was estimated that there were about 121,700 tractors in use early in 1918, and there were 132,697 manufactured during that year, of which 96,470 were sold in the United States. A 1919 production of 314,936 tractors in the United States is estimated. While comparisons are dangerous, if the development of the tractor is only to parallel that of the automobile, there will be at least 1,045,000 tractors made in 1925. This would mean that at the close of that year, after deducting for replacement of worn machines, 2,851,000 tractors will be at work on American farms. Yet but forty-three per cent of the farming establishments will be furnished tractors.

The tractor is comparable, in the great change that it must inevitably work in the habits of mankind, with the invention of steam power and the development of manufacturing during the past half-century. Industrial prophecy is a risky trade. It took France ten years to replace its draft animals after the loss of 1870-71. A tractor can be turned out in as many hours.

An American Idea

JUST who is entitled to be called the inventor of the tractor may never be decided. Possibly the attempt of C. W. Hart to manufacture tractors at Madison, Wisconsin, in 1896 was the first effort to produce the tractor as a commercial vehicle. It is too big an honor for any one man to be called the inventor of the farm tractor, but in its practical realization, it is an American idea. England is our next competitor, and there are some good British tractors. France, the leader on the continent, was just getting a start when interrupted by the war. Both England and France have bought American tractors by the thousand. Now, however, the farm machine and automobile makers of Europe are entering the tractor game—and nearly all the great French automobile concerns have placed tractors in the field.

The two conspicuous tendencies of the trend of tractor design are toward widening (Concluded on page 54)



THE ROAD

By Charles LeRoy Edson

HERE'S a road, a country road
Winding through a quiet land;
See the track of many a load,
Printed in the powdered sand.
Read this print with knowing eyes;
With a poet's rapture look
On this mystic road that lies,
Open like a fairy book.

Horsemen, heroes, maidens rare,
Sunken cities red with rust;
All these things are written there—
Hieroglyphics in the dust.
Roman roads where Caesar hurled
All his panting legions past—
All the roads in all the world,
Join our winding road at last.

Now come camel trails that halt;
Here we end where roads began;
These, the trails that led to salt,
Are the primal paths of man.
Salt to barter; this builds roads,
Crossing ancient deserts drear.
By the sea the train unloads;
Here the cities first appear!

Learning kindles up a light,
Where the trading tribes have met:
Merchant men must read and write;
So they build the alphabet.
Then the mighty classics start;
Spreading till the seas are crossed;
Trade has fathered books and art,
Everywhere its flag has tossed.

*All the arts of war and peace,
All the learning we have won,
Came on wheels—and axle grease—
Where these ancient roadways run.*

An Idea That Won't Demobilize

In the winning of the war American industry compounded its powers magically by standardizing its products. What is to be the future of this manufacturing formula?

By THOMAS H. UZZELL

HE was a War Professor. He was one of those economists who, aroused at the Paul Revere cry of "Intelligence will win the war, don't conserve it!" packed up his theories of business and came to Washington to witness the facts of the same. He was diligent, open-minded, observant, and when finally the tumult and the shoutings of peace had died, and he packed up and went home, he carried with him a formula.

Now formulas are often dangerous things, especially when they concern business which has human beings in it, but the War Professor is certain that he has one that is powerfully charged with truth and constructed so that it won't go off in your hand. His formula involves a prophecy of what the future will be. And in these days when the whole business world is mentally convalescent, first class, dependable prophets come high.

This, then, is the War Professor's formula for reconstruction of business, not only in the United States, but in the whole world:—Standardization.

You have heard that word before; but it may be you have not heard a War Professor talk about it. The Professor is an economist, therefore a scientist, therefore he ought to be a better prophet than the rest of us. One of the main differences between the business man and the economist is that where the business man sees bargains, the economist sees patterns. Another difference is that the business man sees a problem in relation to profit and loss, the economist, in relation to society. The economist may not see any better, but he sees more. That makes him, or should make him, the better diagnostician and the better prophet.

What Hangs on a Word

WHEN I learned of the very great faith the War Professor had in his formula of standardization and of his unsurpassed opportunity for making observations during the war, I went to him, and we had a talk.

"Standardization!" I exclaimed, as I entered his office and he motioned me to another swivel chair. "Another man who would save the world with a word!" Since we were friends, I was privileged to show my emotion and to lead off the interview myself. "Standardization," I continued; "the magic panacea that will take a few per cent off H. C. L. by making of us another Germany. I see the picture: we all ride in Ford cars, each carrying by law exactly four passengers; we all live in square cement houses with exactly twenty-five windows each; and all the women wear hats and suits as uniform, drab and unimaginative as the men. Economy, certainly; but how horrible, how utterly horrible!"

"Peace!" quoth the War Professor, smiling indulgently and offering me a light. "I foresee that I'm not going to get far with your education about standardization unless I begin with a definition. Nine-tenths of all the disputes of the world, you know, result from the fact that neither party to the dispute knows what the other is talking about. De-

fine a problem sharply, completely and lo, it disappears, nearly always. 'The complete description is the ultimate answer,' say our modern Platos."

"Standardization is regimentation of life," I interrupted; "is socialism, is non-competitive, is tyrannical, is—"

"Who's being interviewed here, you or I? If you'll only listen, I think I can relieve your suffering considerably."

I subsided.

"Standardization is an evolution which will induce manufacturers to make processes and commodities uniformly alike up to a point short of causing crystallization of a process or curtailing a reasonable amount of catering to the aesthetic tastes of the consumer. It means war on useless varieties of style in goods. Mind, I say 'useless' varieties, and I mean useless by your standard as well as by mine. It will eliminate confusion in the engineering world. It will promote an international industrial language. It will protect the consumer from having to buy 'selling points' that are not also quality points. It is not opposed to freedom of individual choice, to the rights of free men, or to the continued growth of a varied, colorful and fascinating world."

The Integrated Goat

"IS that all it will do?" I inquired hopefully. "No, that isn't all. It is not merely something which we ought to have because it would do us good. It is something which has so much good in it that it will come whether we want it or not—as, in the past, mechanical progress, capitalism, huge cities, have come. It is as inevitable as the weather."

"I still think you underestimate the strength of the do's-I damn-please spirit in the United States. It's the Spirit of 1776, you know."

"Yes, I know. In 1776 our ancestors revolted against taxation without representation. But in 1917 began a revolt against taxation without justification, against industrial and trade wastes. Why, good heavens!" The Professor became animated and began to gesture. "Here you and I sit on two swivel chairs giving free expression to our individualities. If the threaded bolts inside the swivels of our respective chairs were identical in size and shape instead of being different would that fact ruin our precious individualities? The joists and beams inside these walls are probably identical in size and shape. Does that fact make our lives any the more drab or unlovely? Standardization would call for a maximum amount of uniformity in machinery, foundation building material and all goods whose value arises solely from their utility and not from their looks, while it would allow for a minimum of uniformity for your ladies' hats."

"And all this is inevitable as the weather because—"

"Because no one, that is, practically no one, is going to lose by it. Therein it differs from your other formulas, such as government ownership, scientific management, legalized business pools, even inventions, all of which

involve a very real loss to some one. Standardization means a conservation of the nation's natural resources, greater profits to the producer, higher wages to labor, more sales for the distributor, and a general lowering of costs to the consumer. The great, new principle put into circulation is integration of effort. Did you ever hear the story of The Integrated Goat?"

The Professor must have thought I was going to sleep. I wasn't: I was still viewing myself going to my cement house in a Ford car, with three other legal passengers—

"The story of The Integrated Goat concerns a man who had a lawn to cut and no lawn-mower. Since he was too poor to buy a lawn-mower and hated the labor of mowing, he bought a goat. The goat saved him the labor by eating the grass, produced special milk for the baby, fertilized the lawn and ate a few tin cans on the side.

"That is a crude case of integrated effort. We pay tribute to the wisdom of this sort of effort in our popular proverb, 'Killing two birds with one stone.' This also is a crude figure. Real scientific integrated effort would require that we kill ten birds with one stone and get the stone back.

"But, getting down to brass tacks now," I suggested, "with a concrete case—"

"Well, take a pair of men's socks. Suppose only one kind of men's cotton socks were made. This would eliminate all but one kind of knitting machine, thus giving the manufacturers of that machine the advantage of large scale production. Such a standard machine would require a standard needle. This would enable the manufacturer of that needle to substitute machinery for the hand labor formerly necessary to produce a large variety of needles. Results again lower costs of production. With one kind of needle we would need only one kind of steel wire, thus lowering the cost of steel.

More and Cheaper—Everything!

"SO there you have it: cheaper steel wire, cheaper needles, cheaper knitting machines, cheaper, and better, socks. This same principle applies to almost everything else in the industrial world. The cumulative savings possible through standardization would run into savings in materials, factory and transportation space, labor, money, worry, disappointment—why, I firmly believe they would double the country's industrial output with a very little additional outlay. This would mean, let's see—we could in this way pay off the nation's war debt in the space of a single year without any tax on industry."

"You're flying pretty high, it seems to me. For a professor who has seen the horrors of war face to face—"

"Well, that's just why I know," interrupted the Professor, ignoring my dig in the heat of argument. "Washington during the war was the greatest business laboratory the world has ever seen. I sat in the midst of the place where the fur flew thickest for democracy, the War Industries Board. You should have seen us while we did it—this standardizing, I

mean. Before we got after the national shop window, the American consumer had a range of choice unsurpassed in the tales of the Arabian Nights, with no Oriental Sultan to stay him. Bedding, was it? There were five hundred kinds to choose from. Paint? A hundred shades for his house. Wall paper? He couldn't examine all the existing designs in a life time. Five hundred eighteen different kind of piano stools. Four thousand varieties of men's 'straws'!

"In the world of production the same chaos, congestion, waste existed. There were two hundred eighty-seven styles of motor tires, five hundred eighty-nine kinds of disc harrows, two hundred thirty-two kinds of buggy wheels, and six thousand variations of the poor, simple pocket-knife. A census of manufacturers' and dealers' catalogs would show hundreds of thousands of different brands and patterns. From the cradle to the grave, from the many varieties of cribs and baby carriages to the profusion of styles in burial shrouds and coffins the American consumer has been given demoralizing freedom of choice. We may be free politically; but we are certainly not free economically with such things—"

"But why not?" I interrupted. "The consumer, being in the majority, is the main chap to consider, isn't he? You won't contend that the privilege of spending one's money foolishly is not one of the inalienable rights—"

"Your observation is, alas, a correct one. But if that were all—see here: another person wronged is the one who wishes to spend his money wisely. Surely there are more of this kind than the other. He is made to suffer from what is known as 'the device of the specialty'. As soon as a manufacturer sees that a dead price level has been reached in his craft, thus destroying all hope of further price competition, what does he do? He creates a 'specialty'. He transfers the competition from the plane of price to that of quality by splitting up the product into many brands that are distinguishable from each other only by slight differences in size, shape, color or design.

Vide Ford and Great Britain

"THESE slight differences become 'selling points'. Since the ordinary consumer cannot properly appraise the pecuniary value of these intangible and aesthetic differences, he cannot compare prices, he harkens to the glib salesman. And he sometimes gets stung."

After a certain digestive silence, I felt partially subdued; yet I continued to struggle, "Well, what gets me is why an idea with such dazzling possibilities was not discovered and acted upon before a lot of other things—prohibition, for instance."

"It is not a new formula at all. Great

Britain learned to use it long ago by building ships of uniform pattern, so that one-half built yesterday could be joined to a ship built five years ago. Largely because of this practice, she became mistress of the seas. Henry Ford's big, and only, idea is mass production of a standardized car. The United States, in the greatest crisis in human history, pressed

the only methods by which thorough-going standardization can be attained, namely, by combination, are unlawful. The Sherman Law must be changed or re-interpreted before the Formula can go to work freely. Secondly, the popular compulsion behind the application of the formula during the war is now lacking. Self-preservation, the strongest motive known to man, supported it then; now we must depend upon a weaker motive, man's desire to get his money's worth. Before we needed only an enemy; now we need—school teachers."

"I am constrained to feel that you have flooded me; but I beg to be allowed to make one more wiggle."

"Wiggle away."

"I want to ask once more about the effete and fastidious among our wealthy people who go into the market deliberately to buy fads, fancies and luxuries, the people who refurbish their homes ever so often, for instance, just to be different and to make a display, and for no other reason. What are you going to do with these people?"

"Public opinion will handle those folks. Remember I said the new prophets will be the school teachers. Democracy has its limits. The silly rich will have to be curbed, under my formula, so that the sensible of all classes may have better things and have them more abundantly."

"Think of the costs involved in altering machinery!"

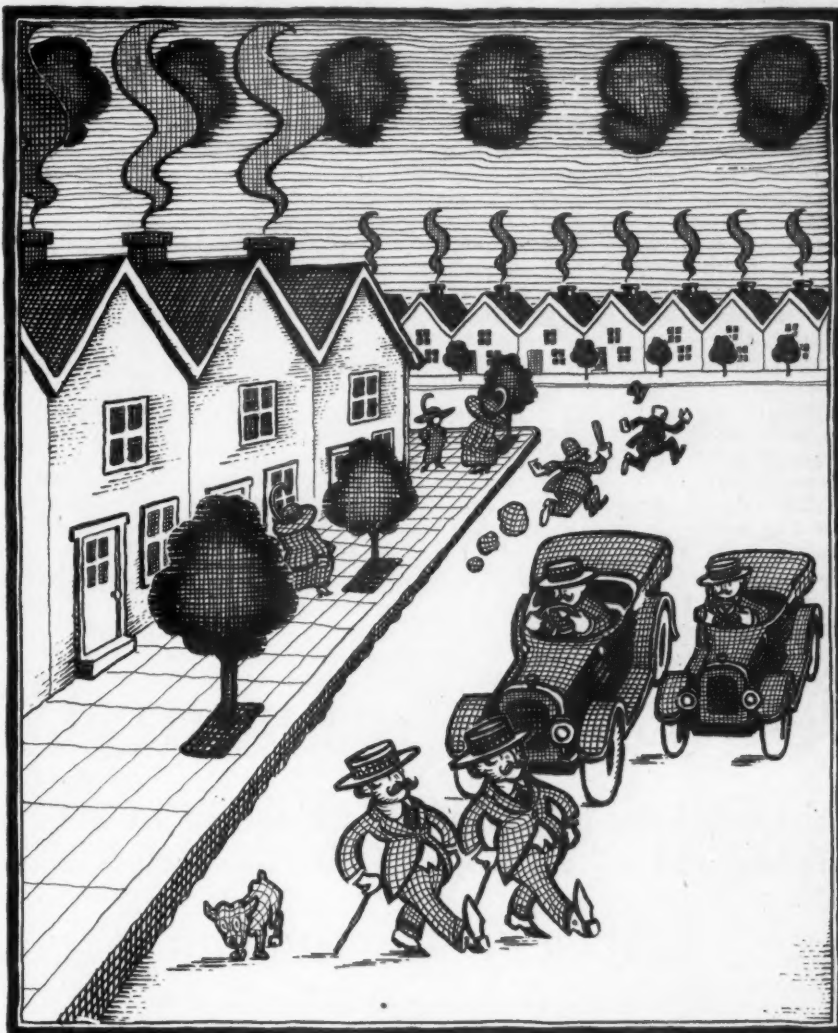
"True: every return has its investment."

"And the big successful firm will be required to abandon patents that may have cost its millions?"

"This may be true in some cases, though not inevitably, and where it is done, the owner will be amply paid. But this is a very real objection and will need much study. We felt the force of this argument during the war. The manufacturers of electrical goods, for example, have a very good case to present. And yet probably the most thorough-going effort at peace-time standardization is being made co-operatively by the five leading engineering societies of this country, including the electrical one. They have formed a national American Engineering Standards Committee which announces that it proposes 'to unify and simplify the methods of arriving at engineering standards, to secure co-operation between the different societies and to prevent duplication of work.'"

"Don't you expect opposition from labor to a plan which means the wholesale introduction of labor-saving machinery?"

"I think we're making progress there, too. At the convention of the American Federation of Labor in Atlantic City last June, a resolution was passed calling upon the industries and the government to bring on their labor-saving scientific ideas, since they are the best hope for the world's present tragic



Carrying the standardization idea to its illogical conclusion

the button of the magic power of this formula and by it built ships and equipped armies with a speed and thoroughness that brought wonderment to the world. The way in which the Industries Board aided this integration of industrial effort by discontinuing three hundred seven grades of hose, five thousand five hundred styles of rubber footwear, four hundred eighty-five styles of bedding, and thousands of other styles of hundreds of other commodities, is a well known story. Many of the eliminations had only been announced when the war died on us. So that we never once felt the full throb of mighty power generated by the application of standardization, but, ah, we felt enough to get us into the feeling of a new era of business, and we'll never revert to the chaotic abominations of the past."

"And yet your miracle-working War Industries Board has vanished, the war service committees of the industries which helped apply the new formula have practically ceased to exist, and the formula seems to be dying a comfortable and quiet death. Can you explain this?"

"Easily. In the first place, standardization agreements are against the law, or at least

shortage of goods. Somebody, you see, has been educating the A. F. L."

"Now my last question; and it's been worrying me for some time. It's perfectly clear that your program of standardization would mean the death of competition. With competition interred you'd have above ground a business imperialism like that of the late Kaiser—or socialism. Go to, you are a socialist."

"I am not a socialist, though I do admit that standardization of any real extent and the competitive spirit cannot long live amicably together. There are astute fellows, I know, who say that what we need is a moderate degree of standardization, just enough to raise the level of competition, to keep producers competing in matters of genuine improvement, invention, economy. It is a vain dream. Competition will be maintained for a time, no doubt, but in the future, in the perhaps distant future, it will be utterly destroyed. Standardization will first reduce competition to a matter of price and the concern which can produce at the lowest cost and sell at the lowest price will undersell its rivals and drive them from the field. This will necessarily take place at an ever accelerated speed. The centripetal force created by a more intelligent demand for goods and an ever increasing market, will engulf individualism, and the pioneer spirit and the era of small business will pass from the United States."

"But what about this high mortality rate

among the small business men?" I inquired.

"Let them turn to some other business, or become subordinated to the national monopoly."

"But suppose they refuse?"

The War Professor shrugged his shoulders and said musingly: "The pioneer road across the prairies to the Golden West is strewn with the bones of our ancestors."

"But how will we draw the fangs of these colossal monopolies?"

"I don't know. Frankly, I don't know. But it will be done. We are learning a lot about how to do such things right now."

A Look Ahead

THE War Professor was now in a prophetic mood and I ceased to plague him with questions. After a time he lifted his head, heavy with the weight of vision, and spoke as must have spoken the hero of "The Time Traveler" of H. G. Wells: "As competition struggles to retain its former mastery over production, the forces of industrial combination and standardization are slowly but surely mobilizing. The unification of the wants of all nations and the unification of the control of industry are sweeping us onward toward the quantity production of staple goods. Varied standards of style and fashion within the United States are being merged into one by the centrifugal force that is tearing down the barrier between the north and the south

and is effacing the frontier which separated the west and the east, while throughout the world the differences in dress and tastes have been lessened by increasing social intercourse.

"As some American industries thus tend to expand into monopolies of world-wide scope, foreign combinations of trade that possess an advantage over similar American trades will also attain monopoly size by entering our markets and exchanging their wares for the products of our monopolies. In that day whole nations will become industrial units. Governments will become managements.

"In this merciless international competition, the small business unit will lose even the little market that it has, and the industries of the world will become concentrated into monopolies that from manufacturing centers located at the points of greatest geographical advantage will send their standardized products by swift and cheap carriers to the farthest recesses of the Orient and the developing jungles of Africa, the Amazon, and the South Seas.

"All this is industrial, not political evolution. The League of Nations may help it and again it may be only an obstacle in the way, to be swept aside. The forces that will bring it about, the intelligent demand for an economical and efficient production and sale of goods, is a bigger thing than the League of Nations. And its prophets and leaders will be not statesmen, nor politicians, but engineers, technicians, and—school teachers!"

G. H. Q. for American Business

It is to be erected in the very heart of things at Washington; it will serve as a meeting place for all men of commerce and as a pledge of the new relationship with Government

By HARRY A. WHEELER

AMERICAN business will either profit by its war experience and hold fast to its present friendly relations with the Executive and Legislative branches of our Government or by neglecting its present opportunity help to usher in a new period of misunderstanding and suspicion between business and Government, more disastrous in its effect than that which existed before the war.

Two things will serve to promote the desired relationship.

Evidence that its purpose is not wholly selfish or without regard for the public interest.

Evidence of the permanence of the machinery through which the new relations will be encouraged and developed.

Business is the greatest single factor in our national life. Its function is to contribute to national prosperity by its genius for organizing, production and distribution.

Business unrestrained is inclined to forget its public obligation in the joy and enthusiasm of large accomplishment, hence it must submit to such checks and balances as will keep its operations from trans-

ALL army men know the abbreviation G. H. Q. for "General Headquarters". American business has heretofore lacked not only any such abbreviation to denote a central workshop, but the very workshop itself.

However that lack is not to continue. The Chamber of Commerce of the United States has bought a property in the very heart of Washington where it will erect a home for American business. It is just across Lafayette Square from the White House, the State, War and Navy and other government buildings. Washingtonians know it as "the old Corcoran place". The lot is at the corner of Connecticut Avenue and H Street. The new building will be erected where formerly stood the house that was at different times the home of Francis Scott Key, Daniel Webster, and Mr. Corcoran, founder of the Corcoran Art Gallery.

The new building will mean more than its mere official name of "National Headquarters of the Chamber of Commerce of the United States". In the accompanying article, Harry A. Wheeler, former president of the Chamber, discusses its greater significance.—THE EDITOR.

gressing public interest while avoiding restraints so rigid as to obstruct development.

This can only be accomplished by cordial and sympathetic co-operation between the creative and regulative instrumentalities.

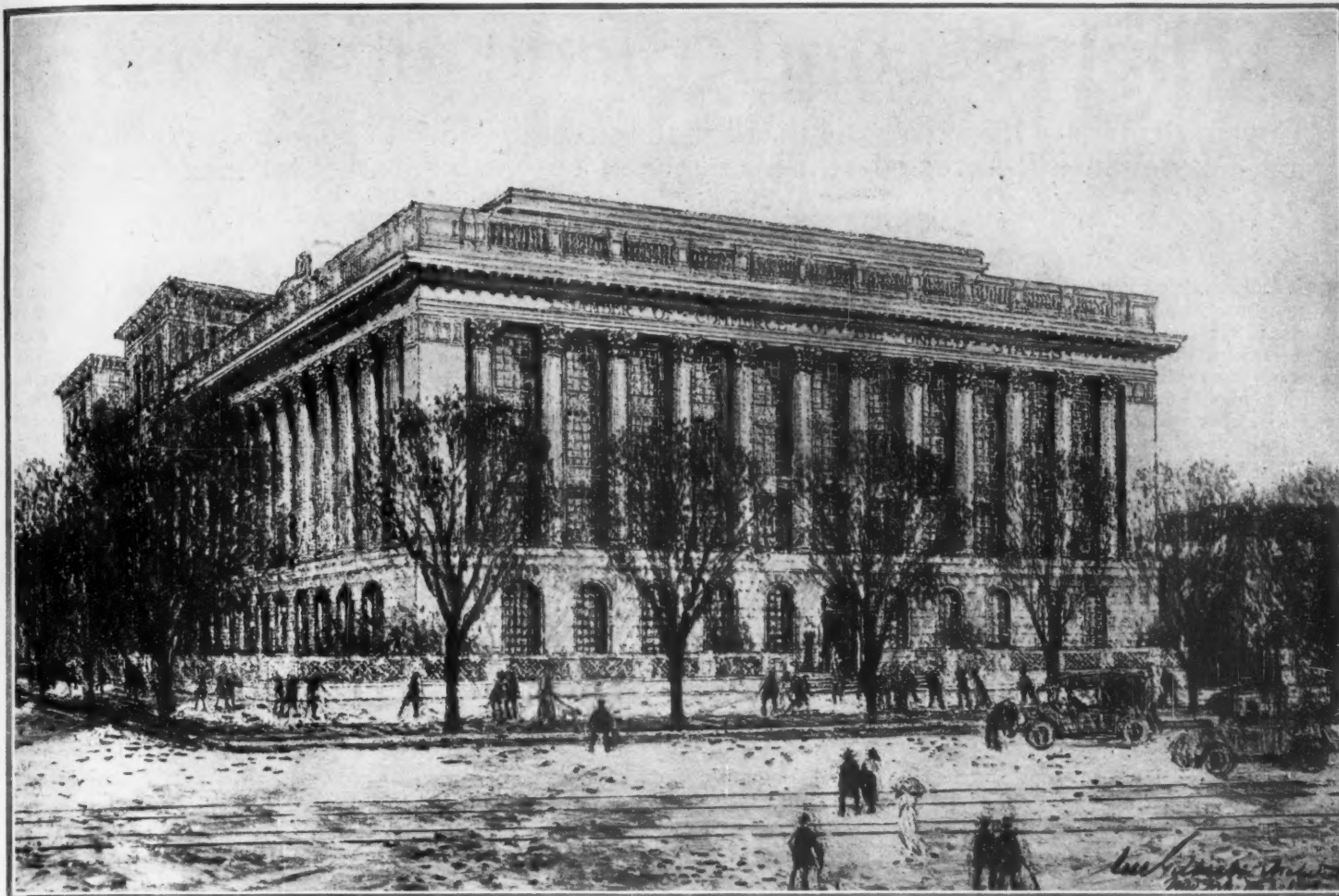
In the past, business proceeded with its task without analyzing all of the effects of its operations. Government intervened when the public clamored for relief from real or imaginary wrongs.

Business resented interference and either grudgingly submitted to restraint or set about to defeat its operation. Government thus lost confidence, public opinion was outraged, regulating commissions were positively obstructive in their program and antagonism flourished where confidence and team work should have existed.

War brought an end to the old days. Working together in war, business and Government each found a measure of sympathetic consideration for the other's problems. But Government is still charged with the duty to apply reasonable restraints and business is confronted with the necessity to exercise all of its constructive genius to win its way through the period of readjustment.

The thing obviously demanded at this juncture is for these two forces to determine to work out the problem together.

It will mean that the popular conception



The National Chamber of Commerce Building from the plans drawn by Cass Gilbert. Mr. Gilbert designed the Woolworth Building, the United States Customs House at New York, the Treasury Annex at Washington and other

great edifices. The cost of the new building is estimated at \$2,500,000, in addition to the cost of the site. The new building will be five stories high, its architecture appropriate in line and mass to its distinguished surroundings

of the functions of Federal Commissions must be reversed and a constructive and helpful program of regulation must be adopted.

Admitting the Obligations

IT will mean that business must recognize the Government's obligation to the public as well as its own desire for a free hand and must plan with the Government for such reasonable restraints as will assure a square deal and then sedulously observe them.

The creation of machinery for carrying forward this co-operation is absolutely necessary and the permanence and representative character of the machinery must be assured before either the Executive or Legislative Federal authority will rely upon it.

Government has its housing and equipment, so has practically every other social and economic instrumentality. American business must have a workshop or place of business in Washington. Heretofore we have had a sort of carpet-bag representation and now this greatest of all factors in our national life must be housed creditably and permanently in a building that will be the physical embodiment of a great national interest.

Until this first step is accomplished no lasting coalition between Government and business can be expected.

There is another logical reason for erecting this workshop.

American business and American business men have played a great part in the war. Never in the history of our country, nor perhaps in the history of the world, has there

been so thorough a unity and willingness to sacrifice both personal and business interests as has been exhibited during the period of the participation of the United States in the European war.

Business men who turned aside from their affairs and joined the military establishment of the country, no matter in what department, will have the record of their participation preserved permanently in the archives of the Government, but unless the record of the participation of American business in the war, apart from the military establishment, is quickly prepared and made permanent, it will soon become only a fading memory, and will be swallowed up in the hurry of events and thus lost completely as a matter of permanent record.

A building, therefore, should be constructed in commemoration of the part of American business in the war, and should stand as a monument to American industry and its helpfulness in carrying out the war program and in making possible the splendid achievements of our military and naval forces.

Without doubt every unit of industry that placed itself at the disposal of the Government without reserve would be glad to have the record of its achievements permanently made in this substantial form; every business man who gave up activity in his private interest, and, without compensation, devoted himself to the affairs of the Government during the period of the war, should have the record of his sacrifice and contribution preserved in such form that future gener-

ations could have the object lesson of the readiness with which men gave themselves to a great cause; every civilian board that has operated with the Government should in some appropriate way be permanently represented in this structure; every War Service Committee, having worked with the departments of the Government and with its industry or community to bring about complete co-operation, would find here the opportunity of placing in permanent form the record of its achievements.

It seems highly appropriate that this building should become the workshop of all American business in Washington where the most highly co-operative relationships may be developed between Government and business, and between business and all other National Economic Forces.

The Health of Ocean Freight Rates

OCEAN FREIGHT RATES attracted real attention in the first six months of the European war. By December, 1914, the Senate had asked the Secretary of Commerce for a report upon the way rates had increased.

The report showed that the rate on cotton from New York to Liverpool had been 20 cents a hundred pounds on July 11 and was 75 cents on December 19. The increase in those six months proved only the beginning. Since the armistice rates have in some instances tended downward. After these readjustments, however, the Shipping Board's rate on cotton to Liverpool from Atlantic ports is still \$1.50 a hundred pounds.

That Second Blade of Grass

Governments have forged blindly ahead on the strength of Swift's epigram overlooking a defect now being corrected—the assurance of a profitable market for the first stalk

By AARON HARDY ULM

THERE was a man once who applied for the job of winding the electric clock in one of the Houses of Congress. A casual observation of the activities of certain servants of the republic might have suggested the idea to him. For there are persons in the pay of the public whose labors entail the outlay of little elbow grease and produce practically no sweat upon the brow.

There, for instance, are the men, well-salaried and expense-accounted men, who, since the armistice, have been taking trips to Europe as Governmental custodians of bird cages. Not ship loads of bird cages—just one or two that could be taken to the boat by hand, serving as a balance for a suit case.

Neither rare birds nor any birds at all form the contents of those expensively chaperoned packages. They contain a few quarts of grain and they repose in the holds of the vessels, along with big bulk shipments of cereals. The agents occupy staterooms.

Chaperones for Bird Cages

THE containers are called bird cages because they look the part. Those cages are so devised and equipped that their contents react to all the influences that bear on ship cargoes of cereals. Through their use expert investigators can study the ocean transportation of grain more accurately than if full cargoes were used instead. The data thus being gathered is expected to make possible precautions against grain swelling and spoiling while crossing the seas, as often happens now.

The researches are among the post-war undertakings of the United States Bureau of Markets, the infant giant among Government bureaus.

Beginning with a force of six only a little more than that number of years ago, the Bureau of Markets now employs more than 2,000 persons. Among other varied activities it operates a news service second only to the big press associations. It spends around \$2,000,000 a year in an effort to supply the missing half of truth to an epigram which has exerted great influence on the attitude of both government and science toward agriculture.

"The man who makes two blades of grass grow where only one grew before—" is the epigram in question. Mr. Swift is responsible for it.

Governments and largely science as well, ignoring the counter truth that "all generalities are false," including this one, went ahead for generations trying to produce the second blade of grass, without thought of whether the first one was being profitably consumed.

Some one finally began to wonder if the Government couldn't do something toward correcting a frequently recurring evil. A typical case arose some winters ago when Florida grape fruit rotted in the orchards while in New York only persons of wealth could have that delicacy regularly on the breakfast table. Hence the Bureau of Markets. Its purpose, fundamentally, is to eliminate waste in the marketing of farm products, by perfecting the currents of trade and adjust-

ing them to new or unusual conditions.

The currents of trade, like those of rivers, being formed by what happens through the years, are rather hard-headed. Their courses are governed by the regular, instead of the incidental, as cattle-raising folk in Southwestern Texas learned only recently. There the tide of cattle and feedstuffs, when the latter moves at all, is outward. But two or three seasons of drouth made cinders of the grass that grows wild on the ranges. The cattle faced starvation.

Not being within the range of a normal inflow of grain or hay, the Southwest

Texans were in a quandary as to where and how to get the feedstuffs they had to procure. When they turned to the sections which regularly produced feedstuffs, it was found that the normal outflowing currents, made excessive by war, were demanding all those sections could produce.

"We must have feed, or our cattle will starve," cried the Texans.

The voice was like one in a wilderness, until its echoes reached the Bureau of Markets. There another unusual cry had been heard. It came from Southern Alabama, which normally imports feedstuffs.

"We have hay and corn to sell," it said.

A Meeting Place of Minds

THEY were put in touch with the Texans.

Minds that normally would not have met on the blazed roads of trade, were brought together, with great mutual benefit.

This, in practice, is the aim of the Bureau of Markets. The pursuit of that aim, though confined to agricultural products, follows a hundred or more paths of trade, of economics, and, to some extent, of all phases of social organization. It may be the measuring of a berry basket, or the designing of a standardized refrigerator car; a survey of a public market or the study of the cattle trade in South America; the organization of a co-operative motor truck line or the devising of containers that will carry eggs safely through the parcel posts.

Only in a remote sense is the Bureau a "scientific" organization. If any science prevails there, it is the science of facts; for per-

haps the only unchanging principles underlying marketing processes are those ancient ones known as the law of supply and demand. All the rest is based on facts, current and transient facts. Therefore, it is probably the greatest of governmental facts-gathering organizations.

While Mrs. John Smith suffers nightmares over marketing difficulties, nearly 10,000 miles of leased telegraph wires are being employed by the Bureau to help insure the presence next day in her market of California cantaloupes, Georgia peaches, Florida cabbages, or whatever else she may desire and is procurable in her line; and, at the same time, to prevent more being there than she can use.

When Stephen LeRue, New York commission man, gets his wagons going on morning deliveries and begins to plan his orders for next day's business there is laid before him a transcript of reports giving detailed information on the movements of thirty or more products. Those reports tell of conditions at producing centers, the number of cars or crates or barrels shipped the day before, the arrivals at important markets, weather conditions, prices and sales.

The same data is available to the producer and his representative, and, during the latter days of the war, was made of direct avail, in the form of market guides, to the consumer.

The purpose of the reporting service is to facilitate the even distribution of perishable products that in the normal course of trade do not and cannot have information services like that built up by the trade for cotton; which the Government also aids.

Facts are supplied; as a rule, no advice or directions are ventured; actual marketing—barring the distribution of nitrates during the war—is never engaged in; no effort is made to fix or regulate prices.

The Bureau, however, has taken one interesting step into the confines of actual marketing intricacies. For example—

"I won't take your old car of lettuce, because the stuff isn't up to standard," says the wholesaler to the producer or broker.

"Goldingit, you will take it or go to court!" says the producer.

And the quarrel often goes on while the lettuce rots in a box car withheld from use and blocking other traffic on a siding.



If the dispute happens to be over a shipment in any one of about twenty-five big markets, the Bureau provides, in the form of an expert inspector, a method of settlement. The inspector's certificate is prima facie evidence in the courts and is rarely attacked. They don't have to employ him and must pay for his service when used. The railroads are now making use of the inspectors in settling disputes in which they are involved, such as claims for damage in transit.

Thus considerable foodstuffs are saved from ruin pending the adjustment of long-distance wrangles about quality or condition of product.

And when you recall that only a few agricultural products have been standardized you will realize that such disputes can be as numerous as they are sulphuric.

Cotton, until a short time ago, was the only agricultural product sold on the basis of grades reasonably uniform in character, and not until a year or two ago were those grades reduced to scientific formula and put on legal footing. Not until a few months ago was the grading of wheat made uniform for all the country, and more recently still the marketing of other cereals was put on a basis of nationally standardized grades.

Warrant of law is lacking for the standardization of most of the multiform products of the farms. Grades are governed by local custom and sectional trade practices usually unscientific and unintelligible to all except the initiated. One of the great fields for the work of the Bureau lies in the standardization of products and of containers. The latter subject is beset by costly confusion. Investigations made not long ago showed that 50 styles and sizes of berry baskets were in use, and 40 of hampers, and 16 of climax baskets and 18 different kinds of cabbage crates. The varying styles of containers afford the best and most often used means for cheating consumers. Berry

and climax baskets have been standardized; researches bearing on others have been completed; further steps await authorization of Congress, which has wide powers in the premises.

Lack of standardization interferes more with foreign trade in some products than in the domestic trade, viz.: wheat, our exports of which used often to be beset by much confusion as to grades.

The Hunt for Markets

THUS the activities of the Bureau of Markets extends quite actively to foreign trade. Men have been sent to the Orient to study markets for American fruits and vegetables, and some are now in South America blazing the way for high grade cattle. The importance of the last mentioned venture is illustrated by a fairly authenticated story to the effect that before the ink was dry on the armistice of November 11 last, England dispatched a trade commissioner on a similar errand. And it may be further surprising to some people that America now leads the world in the production of blue-blooded cattle.

The Bureau's attentions to foreign trade problems, as to domestic ones, are confined largely to agricultural products, and they bear most heavily, though by no means exclusively, on things we eat. It is now putting warehouses for storing products of agriculture on a standardized basis, but manufactured products are without its realm.

And it may be reassuring to the general business man to learn that the Bureau evinces no purpose or desire to disrupt the basic principles underlying the system for carrying on business which trade itself has developed. Unless the writer has been deceived, the Bureau aims only at helping that system function with greatest efficiency.

There's the theorist's great bone of contention, the middleman.

"He's been here a long time," says the Bureau in effect, "therefore, his position cannot be wholly false."

"We want to help put the middleman out of existence whenever and wherever he is unnecessary, but we haven't found yet that, as a business institution, he is unnecessary."

The Bureau promotes, wherever it can, co-operative buying and selling, via motor trucks, parcel post, egg circles, and all other means by which the producer and consumer can deal more directly.

But "infinitesimal" is the proportion of food distribution which can be handled that way, according to the conclusions of Bureau experts who have studied the subject. This is because, mainly, no section can, as of old, produce more than a very small portion of its food needs; hence 90 per cent or more of foodstuffs must travel in big lots on railroads or water in order to meet proper distribution. We bring peaches from as far away as South Africa, and ship our own fruits and vegetables to every continent.

It isn't the well-abused middleman, who on the whole represents the weakest or the costliest link in the chain of food distribution, say Bureau experts. It is the retailer. Not that the retailer is unessential—there's no question there—but because on the whole he is 50 per cent too numerous, and too frequently he is 100 per cent inefficient.

"The retail grocery business is cursed by the ease with which one may enter it," says Chas. J. Brand, organizer and until recently director of the Markets Bureau. Any one who can rent a corner "hole in the wall" may set up some kind of a food shop, 90 per cent of which shops change hands or disappear every ten years.

And a further fact of surprise developed by the Bureau with regard to the retailing of

(Continued on page 25)



It's a far cry from the man who raises and cuts the grain to the woman who buys it for her table. There are pitfalls all along the way. Unintelligent distribution may rob the producer of a just profit and impose a burden on the man who

pays for the loaf. The grain itself may suffer from careless or ignorant handling. It is the business of the Bureau of Markets to see that the great route from field to mouth is rendered as safe as science—and horse sense—can make it.

A Hundred Million New Buyers

They are Russians, customers of the great cooperative societies whose representatives are now asking our business men to sell them goods and take their products in return

By PHIL NORTON

Former Acting Director of the Committee on Public Information in Russia

THE backbone of Russia today is the Russian peasant. And he is the very foundation of Russia's foremost industrial institution, the Cooperative Societies. The organization of these societies has therefore been strong enough to resist Bolshevism. To cite an instance of this, the Moscow Narodny Bank, founded in 1909 for the sole purpose of helping finance cooperative institutions, was nationalized by the Bolsheviks along with the other banks of the country, but within a few hours the Bolshevik leaders "found it better to remove their agents." Since then the change has only been in name.

The statement of the Cooperatives that they represent twenty million members has been questioned. Exact statistics are not possible. But a conservative estimate of the population of Russia would be 150,000,000 persons. Divide that number by five, the average Russian family, and you have 30,000,000 families. All families are not members of the Cooperative Societies—the very rich do not join, and certain officials are excluded. Reduce the thirty millions therefore by ten million—which is extravagant—and twenty million families remain. Many other of the deducted ten million families trade with the Societies. An estimate of 400 members for each Society is small. Therefore it is conservative to estimate 400 members multiplied by a known 50,000 Societies, giving a membership of twenty million Cooperative members. Each represents a family of five, which gives one hundred million customers. In addition there are the non-member customers.

Ivan Knows His Friends

THERE is no nation that offers greater attraction to the Russian people today than the United States. They regard the American people as their friends, and they are anxious and eager to extend their relations with them. With the demobilization of the American Committee on Public Information, it is true, the element which looks upon Americans as competitors and the Russians who oppose America's policy renewed their efforts to spread a veneer of anti-Americanism over the country. But if the American business man will meet the Russian people half way, this will be counteracted. Despite much millennial talk the Russian peasant is still in the dark. He has ample reason now to be suspicious of any promises. And for just this reason it is now necessary for the Russian Cooperative Institutions to place sorely needed manufactured articles in the hands of the members, before they will release their vast stores of raw materials. Therefore the Cooperative Societies must have credit to carry their purchases the length of time necessary to make deliveries in Siberia and return raw products

to this country, provided they can enter into business relations with the United States. The fall of the rouble from two for an American dollar to forty has crippled them, but they are perfecting plans and schemes of the most comprehensive and far-reaching na-

can become a member of the Union of Unions. Such is the simple outline. I shall take up the details in a moment.

The Cooperative movement in Russia is about fifty-four years old. The idea was probably inaugurated in 1865, in the Village of Roshdestvenskoe in the Province of Kostroma. Others say that hunters and trappers of the North, being unable successfully to market their individual catches, formed a cooperative organization for the purpose of selling their peltries and purchasing needed traps, powder, shot, etc.

In America the farmer does not live very close to his neighbor. In Russia the farmer-peasants live in villages. Hence the natural evolution of the Cooperative Society. It is so characteristically Russian that even members of the Honorary Royal Guards—men of great wealth—formed a cooperative organization. The railroad men have a cooperative institution exclusively for themselves.

So rapidly did the movement spread that the Tsar's government soon came to fear its potential power. Cooperative organizers and instructors were persecuted; unions of small societies and even conventions forbidden. It was forty-three years before the first All-Russian Cooperative Conference was permitted by the autocratic government. But in 1905, the first Russian Revolution brought home to the more intelligent

autocrats the need for a non-political organization which would unite the peasants with the more stable villagers in opposition to revolutionists. From this time on the Cooperative institutions even received some governmental support, both moral and financial.

What Tsarism Did to Industry

THE misguided autocratic rule of Russia, with its system of tutelage, resulted in the greatest demoralization of industry and distribution. Capitalism in Russia was disorganized and weak. Commerce could be characterized as speculation, a gamble, and therefore large profits were necessary. This was particularly true in Siberia, because of the lack of means of communication in the sparsely settled country. Under the conditions there could not develop sufficient compensation to insure fair dealing and satisfactory service. Commerce consisted largely of barter; therefore, the population was exploited, both as consumers and as producers. The hunter, the dairyman, the farmer—all were subject to the will of the trader, who was the center of the local produce exchange and the only source of credit for the producing class. So the cooperative idea developed.

As it developed, its functions divided into three groups: Consumers', Producers' and Credit associations. The largest group in the

Their Own Medicine

THE peasants of a certain Siberian village were out harvesting their grain when a boy came running to them with the news that the Bolsheviks were in the town looting the cooperative store. The men swarmed from the fields with their scythes in their hands. And when they got through the bodies of the Bolsheviks, with their heads cut off, formed a neat pile in the village street.

That was not the first or last time the present rulers of Russia have felt the power of these societies. They have now twenty million members, and control 50,000 distributive stores in all parts of Russia.

Peasants take shares in the societies and receive the small profits that are realized. They guarantee the organization with their own property. From the store they get manufactured articles and it buys their products. The societies have furs, flax, bristles, wool, hides and other things that we need. Through their headquarters at 130 Liberty Street, New York, they are inviting American business men to trade with them.

The cooperative societies and the zemstvos (district councils) are anxious to deal with Americans. They realize that we are the friends of the Russian people, and they come to us first for their needs—THE EDITOR.

ture, along lines of organization of the various industries, export of raw products, import of manufactured goods, machinery and tools. For this they require sums of capital exceeding their present resources. They are therefore inviting the cooperation of foreign capital, preferably American, as being most democratic in its nature.

What then are the avowed principles and functions of these societies? Evidently they represent a most vital factor in the reconstruction of Russia—but what is their reliability?

The Cooperatives are national in scope, educational in tendency, democratic in ideals. Because the American Committee on Public Information found the Cooperatives, as organizations and individuals, capable and willing to help in the dissemination of information concerning the United States, as Acting Director of the Committee in Russia I utilized their machinery to the utmost.

The Cooperative idea is characteristically Russian, well-adapted to Russian psychology. The first step in cooperative development is the formation of a Society in a village. This Society is more than a mere store—it is a clubhouse for the community. The little society in the village can buy one share in a large Society made up of stores, not individuals, called a "Union." The Union in turn

Cooperative movement is the Consumers' Societies. We have mentioned the smallest unit, the village Society. To become a member of this Society it is necessary to purchase a share. A member can purchase more than one share, but it avails him little to do so, because the profits from shares are very small, and in the Consumers' Societies, twenty per cent of the profits are placed in a fund to be expended in various forms of educational work. It is not necessary to be a member of the Society to be able to purchase at the Cooperative store; but those who are members will receive at the end of a stipulated period their share of profits in the organization, pro-rated upon their expenditures, not upon the number of shares they hold.

Backed to the Limit

THE responsibility of the peasant to the organization is never less than ten, often more than twenty times the amount of his stock; and in many organizations the peasant's responsibility is equal to the entire value of his property. Should he withdraw from a Society, his responsibility continues for two years.

The little Society in the village can buy one share in a larger Society, made up of stores, not individuals, called a "Union," the Union in turn becoming a member of the Union of Unions. The various parts function as follows:

The village store sells manufactured commodities for cash. Upon the order from the Union, the village Society also collects, through

purchase or commission, furs, wool, flax, bristle goods, hides, lumber, meat, eggs, butter, hemp, and dried vegetables. Sometimes a special Producers' Society is organized to handle the sale of raw products. The village ships its receipts to the District Union, which, in turn, negotiates transactions for the villages with the Union of Unions, which is nothing more or less than a combination for the purposes of carrying on major commercial operations abroad, and for the coordination of enterprises within the country. These enterprises are in the nature of factories, trade exchanges with foreign countries, or similar projects. They build and operate chemical, candy, tobacco, boot and leather, cheese, match and syrup factories; flour and paper mills, refrigerating and paving plants and fisheries.

The All-Russian Central Union of Consumers' Societies has the largest membership of Cooperative institutions. Its constitution was endorsed in 1898, at which time eighteen Cooperative Societies of different provinces met and formed a Union, in an effort to centralize their buying and selling. The Union's activities developed slowly until 1906, when it consisted of only 166 societies. From 1906 to 1912, the growth was steady; from 1912 and during the war, phenomenal. It is known among Russians as the "Centrosoyus."

Its operations, through its Vice-President, A. M. Berkenheim, who is the foreign representative of the Consumers' Union, are guaranteed by the individual property of the members of the village Societies, by the property

of that Society, which means the store building, inventory and other real property, by the property of the District Union, and and all the property of the Union of Unions (Centrosoyus), which included various factories, buildings, raw products and real property. Its purpose is to unify all Unions of all Consumers' Cooperative organizations in Russia and Siberia. Its activity extends over European Russia, Siberia, and the Far East, with purchasing offices in New York, London, and in ten other countries. It is made up of five hundred federations of Societies, which in turn are comprised by 40,000 local Societies, the collective membership of which is estimated at about 12,000,000 individuals. The turnover of Centrosoyus for 1918 stood at 2,000,000 roubles.

A New One in the Field

IN Siberia, there is a new Consumers' organization, the Union of Siberian Cooperative Unions, "Zakoopsby." Its purpose is described as, "To provide the population with the aid of Cooperative Societies with all kinds of goods, either wholesale or by self-production, and to sell all products of the farming or any other industry for the benefit of its members in Russia, or abroad." There are said to be 15,000 Cooperative Societies in Siberia, uniting practically all the population of that vast territory, and they are rapidly increasing in number.

I have gone thoroughly into the organization of the Consumers' Associations as the
(Continued on page 93)



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Mrs. Moujik on her way to market. As in other countries, the tastes of the women largely control the demand and set the fashions. While the American may say that he prefers to stay out of Russia and Siberia until things quiet down, the cooperative representative points out that

here is a strong organization with a limitless supply of valuable products ready to trade right now—and also that the first to respond when the need for manufactured goods is greatest, may have the inside track after the Bolsheviks complete the slow process of hanging themselves

Letting the Squirrels Do It

Rain drops, window sills and aeroplane wings are made more certain for future Americans through the commandeering of stores accumulated by the thrifty little citizens of the forest

By MABEL H. WHARTON

DID you ever stop to think of the number of your daily necessities and luxuries you would do without if, at some time in the past century a tree seed had not been planted? Perhaps it was a bird or a gray squirrel that did the planting—maybe a mountain stream carried the seed to its resting place—maybe even, it was but the friendly offices of the south wind.

At any rate, do you realize that your day would start all wrong if this tree had not been planted?

You couldn't get your morning shower without trees on the water-sheds of your country. Your daily paper would be missing. You couldn't reach out and take your toast from the electric toaster. Probably you'd have coffee only if you lived in a corner of the world where the coffee bean grows. Your morning telephone calls would be taken by messenger, and your automobile would not be ready at the curb as you closed your front door.

It is a complicated family tree that these, your everyday necessities, have behind them, but follow their line of ancestry back far enough, and nine times out of ten you come up short at a sturdy oak or pine. Maybe the relationship has become so mixed that you hardly see it—but it is there. No wonder the hardy Norseman worshipped trees. Perhaps the keen gray eyes of these stalwart Vikings looked down the centuries and saw the spruce winged planes crossing the Atlantic in 1919.

And you, in your car as you rush to your office—maybe for a moment get a glimpse of a distant skyline with rows of trees etched against it. You draw in a long, hurried breath—"Beautiful scenery," you exclaim—"wonderful view!"—and that is all that it is to the average man.

He has no time to look deeper—he is too much taken up with the complicated tangle of the day's work. Nevertheless there are future generations who are going to want these self-same newspapers, telephones, automobiles, aeroplanes galore, and myriads of other and newer devices of which you never dream. It is up to this generation to see that they get them.

You must plant trees. You must not depend too much on nature, wonderful as her methods of reproduction are. The scarlet-headed woodpecker will still do the best he can, the frisky gray squirrel will not lose a working moment in the October woods—even the clumsy brown bear will carry a few tangled cones in his shaggy fur, and scrape them off miles from the mother tree. On the crest of the rivers that flow to the sea, cones and nuts and acorns will still float seeking a



rooting place—and wandering breezes will fill the air with winged seeds. Nature is prodigal, but out of a million nature-carried seeds perhaps one grows—and at the rate man is cutting the forests today, we need tree seedling a hundred-fold.

Man is more careful of waste now that he begins to realize that there will not always be plenty of virgin timber. But the past generation was not so careful. There are millions of acres of burned-over and cut-over lands in our

national forests today that will never grow another tree unless these trees are planted with the same care we would plant our grain crops—and this is a great task the government has set for itself in the last few years.

When you go out to plant a crop—first you have to get your seed.

Tree seed can't be bought in large quantities in the markets. The



combined quantity of seed handled by commercial firms in the U. S. would be but a mere handful. It must be gathered by tons in our forests—and this is what the government is doing.

On a certain morning in the fall of the year, there will appear a placard in the post offices of numerous hamlets and villages in the timber country. The government needs men for six weeks to two months to gather tree seed. And then as the call goes out, mysteriously the men drift into the camps. Lumber-jacks, college men, "hoboes," ex-convicts, truly as mixed a company as one could find in a week's journey. They work cheerfully side by side gathering huge stores of the precious pine seeds.

They work feverishly, each trying to outdo the other, for wise Uncle Sam holds forth a luring bonus. The work must be done in record time—before the snow falls. And the time between the ripening of the seeds and the first snow fall is short. Mother nature has seen to this.

Early and late they swarm busily in the pine woods searching for cunningly hidden squirrel hoards. The squirrel is canny, he

always picks the very best of cones for his winter store. Bushel upon bushel of the cones from the most valuable timber trees are gathered. Douglas Fir, Western Yellow Pine, Englemann Spruce, Lodge Pole Pine, and when you know that in one bushel of cones there is but an average of one pound of seed, and that Uncle Sam has dreams of reforesting 5,000,000 acres of now barren land with six pounds to the acre—then, in the parlance of the day, he needs "some" seed.

The First Efforts

THE first efforts of the government to harvest tree seed was merely experimental. It sent its rangers into the forest to gather the cones. They picked them up from under the trees, cut them from overhanging boughs, climbed the trees and cut them off with pruning shears. If logging operations were under way, they stripped the fallen trees of their burden. They found that the store houses of squirrels, chipmunks, and white-footed mice yielded quantities of cones—as much as it would take a man a whole day to gather otherwise. But the rangers were busy at other tasks at this time of year, and could not take all of their time for this work. Finally the government hit upon the advertising solution to the problem. This brought in so many men that great camps were established—a commissariat provided, the organization of an army was needed for a short period.

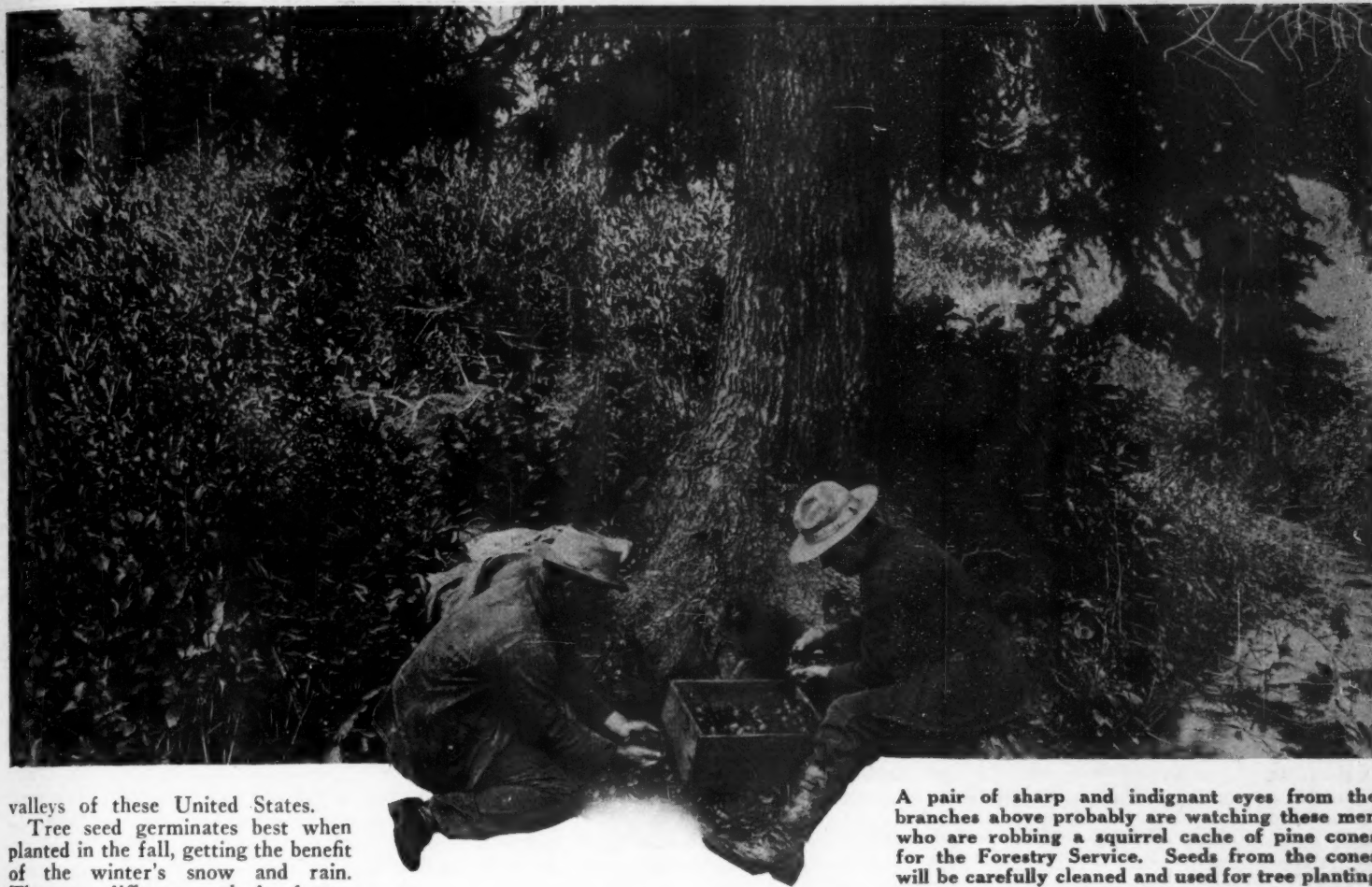
Headquarters were set up in a handy center, telephones installed, foremen hired, records kept. The men were paid according to the quantity of cones brought in, and a liberal bonus offered for all above a certain amount each day.

After the cones were collected and packed to a central location came the work of cleaning them, of freeing the tiny seeds from the protecting shell.

Some cones, like the Yellow Pine, Douglas Fir, and Englemann Spruce are spread on canvas, and the sun opens them. Others, like the Lodge Pole Pine, are glued shut with such a tough resinous substance that furnace heat must be used.

When opened they are put through a cylinder shaker or drum, a wing crusher, and a fanning mill. In the drum, by a series of rapid revolutions, the seed is shaken free, and falls through a screen onto canvas. Next a mechanical cleaner removes the tiny wings with which nature has equipped the seeds for self-planting, and then a fanning mill removes all scales, needles, chaff, resin, and other debris, and the fresh, clean seed is stored in air-tight cans ready to reforest the mountains and





A pair of sharp and indignant eyes from the branches above probably are watching these men who are robbing a squirrel cache of pine cones for the Forestry Service. Seeds from the cones will be carefully cleaned and used for tree planting

valleys of these United States.

Tree seed germinates best when planted in the fall, getting the benefit of the winter's snow and rain. There are different methods of sowing. The broadcast method naturally wastes quantities of seed, and this is best done on the snow on a warm day. If the snow starts to melt rapidly, the seed sinks quickly toward the earth, otherwise most of it would be eaten by birds. Furrows are also plowed, and the seed directly covered at given intervals, but the most favored method now used is the "seed spot" method.

The government is fast getting its system down to great efficiency. It remains for private owners of timberland to wake up, to follow this object lesson. Long ago has the old-time slogan of the plentitude of virgin timber been exploded. The private owner can no longer think of "my wood-lot, my forest,"—he must think of it in terms of generations to come. He must, while he is enjoying the food, the newspapers, the telephones, the automobiles, the luxuries of 1919 think of that great-great-grandson of his in the year 2000. He'll want a few luxuries, too, let alone the necessities—it's up to the man of 1919 to see that he gets them.

That Second Blade of Grass

(Concluded from page 21)

food is that the weakness lies not in paucity but in overplus of service, which is one of our national fetiches. The old style grocery, allowing liberal credits and on request delivering a cake of soap, must earn a gross profit of from 19 to 21 per cent. Chain stores, by reducing service, lower the profit 5 to 6 per cent, while the self-service or cafeteria groceries are cutting it in more than half.

The Bureau considers the chain and self-service grocery store ideas among the greatest steps of modern years toward efficient distribution of food. It does not display any antagonism toward another often suspected step of the same kind: cold storage.

"There are two ideas which must be educated out of the public mind," say Bureau experts. "One is that cold storage products are necessarily inferior, and the other that the cold storage business is of necessity speculative. Refrigeration properly employed will preserve almost any food without deterioration of consequence. Like anything else it costs money. Our researches, for instance, indicate that it costs about two cents a dozen a month to keep eggs in cold storage."

Cold storage takes up surpluses, which used to be classified falsely as over-production. There is no such thing as too much food in the opinion of the Bureau. It is only an inaccurate way, they say, of explaining under-distribution.

The great weakness in modern-day machinery of food distribution lies in an area only vaguely sensed by consumers, that is to say, within the realm of city terminals and public markets.

"The present system of receiving perishable food supplies in our large cities," says the experts, "through numerous terminals, all separated from the wholesale trading districts, adds very appreciably to the cost of the food so handled. Wholesale dealers must maintain many more trucks and wagons and must hire many more laborers and salesmen than if their shipments were arriving at a centralized, well-equipped terminal. In many cases the larger dealers must maintain branch houses at the more important railroad yards and docks. Every extra handling, every square of extra cartage, and every item of additional overhead due to the multiplicity of terminals increases the cost of marketing and widens the gulf between what the consumer pays and the producer receives.

"The greatest cities in the country have let

their machinery for feeding their populations grow up in topsy-turvy fashion, seemingly without realization that they have any obligations in the premises. Now their problems loom so big that they can be solved only with the greatest difficulty and at tremendous cost. We are hoping that the cities of the country that yet only aspire to great size, will realize their obligations and will take care to bring about well planned distributing systems which can be expanded as the cities develop."

The expense to consumer and producer caused by the lack of proper terminal facilities in big cities is illustrated by the oft-repeated assertion that the cost of moving a carload of food across Manhattan Island in New York is greater than the cost of carrying it across the Atlantic Ocean.

And of city markets, it need only be said that the Bureau has found only one that approaches first class, and even it has room for great improvement.

Thus you can understand the inadequate nature of epigrams.

"Practically 80 to 90 per cent of the energy devoted to the improvement of agriculture up to ten years ago was given to the increase of production," says Mr. Brand, who recently joined the roll of Government specialists taken over at manifolded salaries by big business.

"Today we are very much more interested in seeing that the first blade of grass is properly cared for and efficiently disposed of than we are in the thought of producing the second."

A TOTAL of nearly five hundred applications for charters for national banks and requests for increases in the capital of existing banks are on file with the Treasury Department. This unusually large number, according to the Comptroller of the Currency, indicates widespread prosperity.



Bang! A Bad Practice Bit the Dust!

PINTO BEN is not going to stand for any "funny business" from Dakota Dan, the Two-Gun Man, or the Hell Hound of Alaska. Pinto Ben himself is something of a bad man, very quick on the trigger finger, and all of that, but he does not have to resort to "rough stuff" in these fine modern times; for the Federal Trade Commission is at hand to see that in his business—of riding bucking bronchos, lassoing mavericks, and doing fancy shooting,—he does not suffer from unfair methods of competition from other denizens of the woolly West.

Obviously, the preceding paragraph, being written in 1919, has little relation to the contemporaneous West, and refers to a "picture drama." The Trade Commission has discovered a producer who takes old films, originally made by other people, and redubs the heroes. The Commission does not stand for that sort of thing. It does not approve, either, of a competitor stealing the handiwork of a manufacturer of music rolls, by the easy process of making duplicates, and as a good many farmers have suspected it has found some things undesirable in the lightning-rod business.

Unraveling the Tie That Binds

TRANSPORTATION has become the service upon which the world depends in a day when no community or any development is sufficient to itself.

In the United States the railroads are our great agency of transport, and we are engaged in trying to make up our minds how to deal with them. England has been trying to get up a scheme for unified control of all agencies of transportation in the United Kingdom. The government, in a comprehensive transport bill introduced in February, began with a plan which would have involved nationalization of harbors, docks, canals, railroads and pretty much everything else over which traffic moves.

But nationalization is not so very popular in England, notwithstanding the discussion it has had. In July the government, after a deal of earlier whittling away and regardless of its great majority in the House of Commons, had to modify its proposals until, instead of nationalization, it asks for the new Ministry of Transport only such powers as are perfectly familiar to ourselves in our public utilities commissions and other regulatory bodies. For example, there would be authority to order improvements in docks, with the dock company having a right to appeal against an order and have a determination by the Chief Justice of England. As for highways, there would be an advisory committee of ten, which would assist the ministry in the exercise of its powers of centralized regulation of traffic without too much disturbance of the 2,000 local authorities with jurisdiction over roads.

As for the railways, government control in England shows a deficit of \$300,000,000. This figure the government agrees is colossal, and it says it is not moving for nationalization in that direction.

Nationalization of transportation agencies seems to travel quite as rough a road in England as in the United States. It does not appeal to the Anglo-Saxon type of mind, east or west of the Atlantic.

Nationalization of coal mines gets ahead no better in England. Government control there meant an increase in price of 37 cents a ton in June and \$1.50 more in July—two incidents that caused both users of coal and labor representatives to cock their weather eyes and wonder if they wished to go from control into nationalization; users have their doubts augmented by a deficit in government control of British coal mines already accumulated this

year to the tidy sum of \$200,000,000, but many miners still think they would like to see a trial of nationalization, according to the recommendation of the chairman of the Coal Commission which made its report at the end of June.

Busy Belgium

BELGIUM during the first six months of the armistice made good progress in obtaining loans. Its government borrowed money from at least seven different sources—the British government, the French government, the Canadian government, a group of British banks, a British business house, a group of American banks, and an internal and external loan of the Belgium government itself.

At the end of the period it was understood to have negotiations under way for more loans and was looking to Italy, the United States, Argentina, Holland, Norway, Spain and Switzerland.

What's a Consortium?

CONSORTIA such as were formed in France after the armistice have been abandoned in considerable degree. They were to be means of controlling import trade. Although no longer in formal existence for this purpose, they still have their effects, in that the French businesses which were embraced in a consortium incline to continue to act in co-operation. In Italy, however, coffee, codfish, jute, wool, leather and paper are now imported by consortia.

When an Italian consortium is established for an article, sales are made to the consortium instead of to the Italian consumer. Consequently, the foreign seller will deal with the president of the consortium and not with his former customer. Nevertheless, the foreign seller can get from his old customer much valuable information about the practical working of the consortium.

Consortium is a handy term for use in international affairs. It is so adaptable that it seems to fit perfectly either a form of governmental control or a co-operative group of bankers of different nations that have united for a common purpose. A consortium of the latter sort has American banking houses in it. This consortium deals with Chinese finances. The countries represented are England, France, Japan and the United States. This consortium does not yet appear to be in complete working order. There may remain some difficulties among the participating countries to be ironed out, and the ironing out may not be altogether easy if Japan and the United States should take opposite views of things.

The More, the Higher

ARM Y prices contain some innovations for the housewife. When she begins to buy canned vegetables on August 18 from the new firm of Messrs. War & Post Office, Ltd., she will discover that the usual rule, of smaller prices for quantity, does not hold good. On the contrary, she can buy one can of beans for seven cents, but if her mayor has a municipal scheme for distribution he will have to pay 89 cents for a dozen of the same cans!

The Army explains the upset of the usual rule by saying that it dropped the fractions for housewives, but kept them against the mayors.

Look Out for the Live Wire!

PRICES are the making-and-breaking point of the electrical circuit the current in which represents the world's business transactions. They determine whether the wires are dead or alive with energy and power.



Business men are not unaware of the importance of prices. In April, the president of the Chamber of Commerce of the United States addressed the delegates of its constituent members and talked very earnestly about prices. Any profits beyond the amount necessary to give a fair return on investment after proper allowance for such things as depreciation and obsolescence he declared could not be justified by any business as a charge against the ultimate consumer. Any excess profits in this sense, he urged, should be applied to the reduction of prices as a first step toward correcting inflation and restoring normal conditions. Unless these principles were accepted generally, and as generally acted upon, he predicted our period of readjustment would be exceedingly difficult and would witness many economic conflicts that could otherwise be avoided.

Business organizations have taken some corresponding action with their own members. The bakers' association emphatically told each of its members that if his prices for bread did not reflect the government's price for wheat he should forthwith revise his prices until they complied with this test. A trade organization in the shoe and leather industry spoke both to its own members and to their customers. The former it told, in effect, to ration themselves by keeping their purchases of materials down to requirements and by preventing their customers from laying in speculative stocks of shoes. Reduction in volume of business, through such policies, was expressly contemplated.

With business men's organizations helping, and representative business sentiment hostile to speculation in commodities, things should not go so very badly.

Next—Prohibition for Motors

ALCOHOL in these days has attention from governments in diverse ways. England has had a committee studying the possibilities of increasing the production of alcohol to be used in generating power. Somewhat after the manner of such committees, it concluded there are great opportunities for production, but that further study was needed to bring practicable results. A layman may observe that the real job has been left for some business man.

The opportunities discussed by the committee are interesting. Of course, potatoes, artichokes, and cereals come in for attention. But it seems there are less-known sources of alcohol. For example, there is the flower of the mahua tree, which flourishes in Hyderabad and the central part of India. This flower when sun-dried contains 60 per cent. of its weight in fermentable sugar, and apparently is to be gathered by the ton. Then there are the fertile gases of coke ovens. They are so rich in surprises to the every-day man that it is not very startling to learn they contain ethylene which by synthetic processes somewhat developed under the stress of war may be converted into ethyl alcohol.

With the coal beds about to produce alcohol, and the trees of India fairly blossoming with it, the man with a motor car may quiet the fears aroused by the scientists' figures which show that we are in sight of the end of petroleum and gasoline. There is nothing like being easy in one's mind.

The Rocky Road to Standardization

BILLS OF LADING continue to demonstrate their importance in a commercial world where well-nigh everything has to be shipped somewhere else.

After considering the bill of lading for seven years, not merely from the official point of view but in conference with railroads and shippers, the Interstate Commerce Commission in March, 1919, prescribed forms for two bills of lading—a form to be used for general merchandise in domestic commerce and a form for through

export shipments—and announced it would later fix the form to be used for livestock. An outline of the points in controversy that were decided by the Commission appeared in *THE NATION'S BUSINESS* for July. The Commission's new forms were on September 8 to replace the forms now in use, even though shippers who had stocks of the present forms on hand had to give them to the junkman.

The old forms, however, will continue in use for an indefinite time. In the middle of July a federal court in New York held that the Commission has not in fact received authority from Congress to prescribe the substance of bills of lading. Before the court the Commission contended it was not initiating bills of lading but was merely exercising its power to establish just and reasonable regulations and practices affecting the bills of lading already in use by the railroads.

The question whether the Commission exceeded its powers will now go to the Supreme Court. Meanwhile, the present forms will continue in use.

The Contagion Rages

THE HIGH COST OF LIVING has considerable resemblance to the Spanish influenza. It spreads insidiously from land to land, and white men have discovered no corner of the earth that has escaped it. It is as internationally contagious as the inflation out of which it derived its first beginnings, and the doctors have not yet announced the course of therapeutics that will conquer the fevers it causes.

In Italy it began to play havoc, and has been brought into control through prices fixed by the government and a fine of \$2,000 for any person who takes more than the official schedule allows.

Italy's experience caused other countries to take notice and then look to their own state. The president of the Peace Conference, once signatures were affixed to the treaty, turned his glances toward home and forthwith sharpened a good stick for hotels and restaurants, which were exceeding the bounds of French decency.

England had made life so miserable for its food controller that the gentleman was on the point of closing shop and stealing away to some seashore where nobody would know him. Food controllers, like other officials, have their vicissitudes of fortune; for he awoke one morning to learn that there were profiteers in England, as well as in Italy, and that the populace wanted to restore him to his dictatorship over their food supply. So it happens he has been restored to favor and may receive new prerogatives.

It is well to look forward to the winter. It is a period when hardships bear poignantly. England is apparently so serious in wishing to have all precautions in order against mishaps that it has proposed the Supreme Economic Council should be reconstituted, and should sit in Washington, to apportion equitably the world's supply of foodstuffs and see that speculation and other adventitious factors do not add a burden to prices. If England's plan should be accepted, each participating country will presumably have to devise its own measures against abuses.

This is the task we began with the President's address on August 7. We shall see later if the Supreme Economic Council is to sit at Washington.

No More Amateur Architects

BEAUTY is officially approved by the State of Pennsylvania. The legislature has enacted a new law, under which no tyro can try his hand at architectural creation. In order to practice as an architect a man will have to pass an examination, quite after the fashion of lawyers and physicians.

Listening in on Congress

Wit and fancy rescued from the oblivion of the Congressional Record and presented here as an intimate picture of our lawmakers as they struggle to get the will of the people on the statute books

THERE seems to be quite a good deal of talk going the rounds these days on the subject of prohibition—its sweet uses and the pangs thereof to the unregenerate. Since congress is our best-known organization of debaters, it has naturally devoted quite a bit of time to the matter. While the likelihood of enforcement was under discussion fingers were pointed at those austere states that years ago set their feet in the ways that are dry.

Mr. Fitzgerald, of Massachusetts: I am calling the attention of the Members of the House to the fact that Maine has had this law upon its statute books for fifty years, and it has been found to be impracticable of enforcement and a positive detriment to the development of the State.

Mr. Rucker, of Missouri: If the gentleman thinks this prohibition law cannot be enforced, what in thunder are the whiskey men fighting it for? [Applause.]

Mr. Tillman, of Arkansas: The man who has a hundred head of cattle and who does not want to be compelled to put them up when a new fence law is passed is always worried about the trouble the fence law is going to cause the Widow Jones who has one cow. The gentlemen, by talking mere drivel, are pleading the cause of the liquor men. * * * They invariably do it; and it is amusing to observe them shed tears because coca cola will be sold, because moonshiners will operate, because the poor laborer cannot get his 3 per cent. beer when they are put out of business.

They say also that we are going to become confirmed candy eaters if we quit drinking liquor. Yes; I think you may look for an increase in the sale of candy; father may get full on it; but it is not going to be so bad as it was when he used to go to the barroom and get drunk. You remember that old play of Ten Nights in a Barroom, which, when we were boys, used to bring tears to our eyes. A little girl went to get her father out of the saloon. It was a very touching scene. Now they say father is going to become dissipated by eating candy.

Oh, yes, we are going to be driven to boozing on candy. We are soon also to know the horrors of the buttermilk jag. Father and brother will succumb to the awful lure of cold coffee and iced tea, nut sundaes, death-dealing orangeade and soul-destroying grape juice. God save the mark and God save father! [Applause.] * * *

Mr. Coady, of Maryland: I listened to some of the gentlemen from Kansas tell about the wonders that prohibition has wrought there. I remember a few years ago reading about a banquet of the Kansas Society in New York City, and it was addressed by a then member of the United States Senate, not now a member of that body. Like nearly all Kansans when called upon to speak at affairs of that kind, he chose as his topic prohibition, and told about the wonders it had accomplished in his State—how the farmers had succeeded under it. But, Mr. Chairman and gentlemen, every member of that Kansas Society had left the dry State of Kansas, had gone to the wet State of New York, and there achieved fame and fortune. [Applause.]

Moonshine—for the Palate and Politics

Mr. Upshaw, of Georgia: At the close of his three-minute speech, when I had no time in his time or my time to properly reply, the gentleman from New York, in the spirit of playful repartee, referred to moonshiners in the mountains of Georgia and Kentucky and suggested that "the gentleman from Georgia was evidently an authority on moonshiners." Of course, we all understood the spirit of raillery in which the gentleman spoke, but I remind both him and the gentleman from

THERE are 531 members in the two houses of Congress. Each of these has something that raised him above his neighbors—or he would not hold his seat. Every one of them is unusual, and many of them are remarkable men. Their places were won largely through wit and speech; it is but natural, therefore, that the continual thrust and parry of debate on the floor produces verbal duels and slugging matches as entertaining as any that our dramatists have striven laboriously to create.

It is solely with the purpose of giving you a better and more human understanding of the congressmen and their job that we present these fragments of their proceedings. There are no dark political motives actuating the reporter who covers the assignment. Do not, gentle reader, attempt to discover herein any editorial design except that of rescuing for you some excellent and illuminating reading that otherwise would be lost.

THE EDITOR.

Massachusetts [Mr. Gallivan] that they began the thrust and they must not complain if I answer in kind.

An Irish washwoman saw her little boy Mike vigorously scratching his head, and she yelled at him, "Mike, Mike, stop scratching your head!" And Mike replied in tearful tones, "I won't do it, Ma'am; they commenced on me first." Parenthetically, I really believe that Mike had a right to scratch; but the gentleman from New York and the gentleman from Massachusetts, who believe in "personal liberty" and "regulation" would contend that Mike's tormentor ought to be brought in from the residential districts, put on some special preserve along the crowded marts of trade, in the full enjoyment of police protection, and thereby allowed to continue his torment and devilment in the full exercise of personal liberty. Mike believed not in regulation but in extermination, and Mike was right.

Both of these gentlemen began on me first, and I am tempted to here and now declare, in all good humor, that it is a good thing that the gentleman from New York [Mr. LaGuardia] recently sacrificed his wonderful shock of princely Italo-American hair, because I am thus relieved of the necessity of perpetrating a cross between a comedy and a tragedy by "snatching him bald-headed" [laughter] for his "moonshine" suggestion; and, as to the gentleman from Massachusetts [Mr. Gallivan], there simply "ain't any to snatch."

But, after all, Mr. Chairman and gentlemen of the committee, I do not think it is much more harm for a Georgia mountaineer to make moonshine whisky for home consumption, and even a little for his neighbors, than it is for these representatives of the great wet districts of foreign-born population to make "moonshine" speeches on the floor of this House simply for "home consumption." [Laughter and applause.]

Knowing that their case is hopeless, knowing that the unselfish prohibition friends of America have won their battle in a fair and glorious fight, how much better it would be for the high-flying aviator of Gotham and the festive and irrepressible representative from Erin and from Boston to get down to earth, teach their constituents the wholesome reason in law enforcement, and then lead them in singing that good old hymn, "Ye living men come view the ground where you shall shortly lie."

I heard of a negro boy down in Georgia who was thrown from a mule and terribly shaken up inside and out. The negro doctor was sent for, but things were not going well, and a white doctor was called in consultation; and wishing to defer to his own profession, the white doctor asked of the negro doctor, "Have you formed a diagnosis of this case?" "Yas, sar," replied the negro doctor, "as well as my professional knowledge will justify, sar, I have come to the conclusion that this unfortunate young gentleman is suffering from a scatteration of the insides." "Have you prescribed for him a remedy?" asked the white doctor. "Yas, sar," the colored doctor replied, "I done give him a combined dose of alum and rossum." "What on earth made you give him such stuff as that?" said the white doctor sternly. "Well, sar," answered the negro doctor, "I give him the alum to draw the scattered parts together and the rossum to make 'um stick until they got well." [Laughter.]

This organization (the Anti-Saloon League) non-sectarian and non-partisan has been the "alum and rossum" that has drawn the scattered temperance friends of America together.

He Knew It By His Nose

Mr. Blanton, of Texas: In 1907 it was my privilege and pleasure, in company with 168 other Texas people, to enjoy the magnificent hospitality of the various bankers of St. Louis, Chicago, Philadelphia, New York, and Boston, where, upon the banquet table in each one of these five splendid cities of our country there were placed four and even five different glasses from which to drink liquor of various kinds.

There was claret and sweet wine and sour wine and beer and champagne, and the bankers' association in the five cities named by me vied with each other in trying to entertain our Texas crowd more pleasantly than we had ever been entertained before in our lives. Auto rides, theater parties, receptions, buffet lunches at country clubs, steamer excursions, and banquets, at all of which we had this great profusion of sparkling beverages.

Mr. Cannon, of Illinois: If the gentleman will yield, how does he know it?

Mr. Blanton: Not by the taste of my palate, but I know by my nose and my eyesight, because I saw four and five glasses, and I saw the contents bubbling and sparkling, and, while the contents did not affect the good bankers of St. Louis, the good bankers of Chicago, the good bankers of Philadelphia, the good bankers of New York, or the good bankers of Boston, because all of them seem to be used to it, it did affect some of my good banker friends from Texas who were not used to having four glasses in front of them. [Laughter.] I say you can not decide what is intoxicating liquor by what transpires in St. Louis, Boston, Chicago, New York, or Philadelphia. You have got to decide by the effect that it has on the ordinary individual in this country—in Texas and elsewhere.

Letting the Right Hand Know—

PERSONALITIES are hateful things. During the course of this dusty discussion, one member has the temerity to declare that while congress may be dry collectively, individually it is overwhelmingly wet. Before he finishes he gives voice to the suspicion that many members have other stuff in their cellars besides coal.



Taken for The Nation's Business by C. T. Chapman

Four horsemen—but not the ones made famous by the raging war novel. These form a cavalry group of the Grant Memorial in Washington. It stands in the square which Washington and L'Enfant planned as the

approach to the capitol. The memorial has been under construction seventeen years, but the figure of the great general has not yet joined his bronze comrades. It probably will be completed next year. Shady is the sculptor

Mr. Gallivan, of Massachusetts: Mr. Chairman, I move to strike out the first two words. I am opposed to this amendment unless the gentleman from Kentucky will provide that the inspector and agents visit the House Office Building. Then I will vote for his amendment. Before this debate is concluded I shall ask that every Member of Congress who votes dry on this proposition be honest to his country and his conscience and that he place in the CONGRESSIONAL RECORD the amount of liquor that he has saved up for himself either in his home or in his office. [Laughter and applause.]

Mr. Volstead, of Minnesota: Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

Mr. Gallivan: If the Congress wants to be on the level with the country, it will do as I ask. We are told—

Mr. Blanton: Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

Mr. Gallivan: Oh, sit down. [Laughter.] The country is told that this Congress is overwhelmingly dry. I have been a Member of this Congress since 1914, and I have found it overwhelmingly wet. Now, why—why, in the days when you are making the world safe for democracy and freedom—why tie up the individual unless you are willing, Members of Congress, to tie up yourselves?

I have heard, Mr. Chairman, of Members of this House who have said that they have in their private wine cellars enough liquor to take care of

them and their friends for 20 years. [Cries of "Name them!"] Mr. Chairman, an inquiry comes from many Members of the House to name them. If they were not good fellows, I would name them. [Laughter.]

Is Soup a Beverage?

Mr. Walsh, of Massachusetts: Why should he be allowed to make cider containing more than one-half of 1 per cent of alcohol any more than whisky containing more than one-half of 1 per cent of alcohol?

Mr. Denison, of Illinois: If he makes it for his own table use, is that made for use as a "beverage" or not?

Mr. Walsh: They do not wash in it; they drink it. [Laughter.]

Mr. Denison: Then is water a "beverage"?

Mr. Walsh: Yes.

Mr. Denison: Is milk a "beverage"?

Mr. Walsh: Yes.

Mr. Denison: Then we are to understand that anything we swallow as a liquid and do not have to chew is a "beverage"? Do I so understand my friend from Massachusetts correctly?

Mr. Walsh: Under the provisions of this bill, that might include soup. [Laughter.]

Mr. Denison: I was going to ask the gentleman from Massachusetts whether soup is a "beverage"?

Mr. Fitzgerald, of Massachusetts: Some people eat soup.

Mr. Gard, of Ohio: I would like to know from the gentleman from the Cape Cod district whether

clam chowder is a solid or liquid food?

Mr. Walsh: It depends on how it is made. [Laughter.]

Mr. Fitzgerald: It is the best chowder in the world.

Mr. Longworth, of Ohio: Anything you can eat with a sponge is a "beverage".

What Is an Intoxicant?

WHEREIN Mr. Clark, of Missouri, erstwhile speaker of the House, has something to say anent all this hulloaloo over two and three-quarters. Some members declare with fire that it is a drink that causes the head to swim and the feet to wobble. Others maintain with tears in their eyes that the beverage is as innocent as rain water. The gentleman from Missouri submits a test that apparently ends the argument.

Mr. Clark, of Missouri: I voted against the adoption of the local option law in my county, because my predecessor, as prosecuting attorney, and myself had both enforced the old dram-shop law, and we had broken up every blind tiger, blind pig, speakeasy, or whatever you choose to call it, in the county, and I did not think we needed the new law. . . .

Of course juries go wrong sometimes. Judges are just as apt to go wrong as juries are. Once in a while you run across a fellow who does not know which side he is on. There used to be a

very smart man in the county in which I now live who was a great wag. He was summoned to serve on a jury and was examined on his *voir dire*. He swore that he had not formed or expressed an opinion about the case. Col. Anderson, a fine man and an ex-member of Congress, took him in hand to cross-examine him. He said, "My friend, you say you have formed no opinion in this case?" "No, I have formed no opinion." "Have you talked with anybody who pretends to know the facts of this case?"

"Yes; both the plaintiff and the defendant told me all about it."

Col. Anderson asked, "How does it happen, then, that you have not formed an opinion?"

"They are both such infernal liars that I would not believe either of them on oath." [Laughter.]

I want to say this to the gentlemen who are running this thing, that you can make this law so stringent that you will hurt your own case. [Applause.] There is not any question about that.

The average citizen out in the country and a good many legislators have the idea that the severer you make the penalty the better law you get. That is not true at all. You can make the penalties so stiff and severe that men will get out of convicting a man if they can without committing perjury. All these things that irritate the people without contributing to the main cause of reasonable enforcement of the prohibition amendment are simply holding up—militating against the enforcement of the law.

The idea that a man shall not have a particle of whisky or anything of that kind that will make a man drunk in his own house will prove to be a hindrance to the enforcement of this law. I do not want any whisky in my house; I have not got any either. I do not need it. I can not drink it without the risk of getting drunk, so I quit it. [Laughter.] I do not keep it around. I never did keep it around. [Laughter.] I repeat that every man in this House that is honest is in favor

of the reasonable enforcement of this law.

They had up a great hullabaloo the other day—the question of whether one-half of 1 per cent or 2.75 per cent was intoxicating. I do not believe there is any sense in Congress fixing the amount of alcohol in intoxicating liquor. The question, in my judgment, is for the courts to decide. I will tell you how to find out exactly whether 2.75 per cent beer is intoxicating. If these fellows will send every Member of the House a quart of 2.75 per cent beer and require him to drink it in 30 minutes, then he can tell whether it is intoxicating or not. [Laughter and applause.]

When I was a prosecuting attorney they adopted a local-option law, and all the druggists in the county joined in a letter to me to find out what they could do and what they could not. After a week's study I decided that they could not sell any intoxicating liquor except the alcohol of commerce for medicinal, art, and mechanical purposes.

The Test of the Tipple

It got so that the druggists would not buy from the drummers until the drummers came to me and submitted their formulas, and the result was that I knew more about proprietary medicines at the end of my term of office than any other man in the county.

One fellow sent me a bottle of malt extract. I did not have any chemical apparatus to analyze it, and so I drank it to observe the symptoms. [Laughter.] I wrote him and told him it was barred. [Great Laughter.] It had about as much alcohol in it as bock beer. At that time keg beer had 3 per cent alcohol and bock beer had 5 and whisky had 21¼.

One day I had been at the extreme end of the county trying a case, and came back in the afternoon, got my mail and started home. An old druggist named Clark—no kin of mine—came out and said: "Hey, you were not here to-day. There was a drummer here, and I ordered three cases of rock and rye; what about it?" I said, "Doctor,

you have drunk a great deal of whisky, and I have drunk more than was good for me. Suppose that you were put on the witness stand as an expert and was asked what kind of tippie is rock and rye?" He said he would swear it was a pretty damn good tippie. [Laughter.]

Are Hot Rolls in Danger?

Mr. Baer, of North Dakota: Mr. Chairman, I am in favor of prohibition. My record will show I have voted for every prohibition bill. We have prohibition in our State—North Dakota—and it works very successfully. I would not want to raise my three boys in any State where they do not have prohibition. [Applause.] But I want to say that those reformers in the country who are trying to do away with cigarettes, tobacco, pickled peaches, and things of that kind do not have my sympathy. I am not going to vote to take away from the people any more personal rights. There is an enterprising firm out West making a brand of near beer, and legibly and conspicuously printed on the bottle is the notice, "Do not mix the contents of this bottle with yeast because it will make it intoxicating." [Laughter.]

Now, if you have cases like this some people will begin to agitate for the enactment of a prohibition law to prevent the sale of yeast, and this will have a serious economic effect upon the farming industry! I am going to stop with the prohibition of intoxicating liquors. I am wholeheartedly for a dry nation.

Mr. LaGuardia, of New York: Mr. Chairman, will the gentleman yield?

Mr. Baer: I will yield to the genial Member from New York.

Mr. LaGuardia: I want to know if there is any connection between the two facts that your State is prohibition and your State manufactures yeast? I notice the gentleman has this formula in his mind very accurately, and the question arises if there is any connection between the two things? [Laughter.]

France Rolls Up Her Sleeves

In the great task of rebuilding, her thought turns naturally to her own industries and Americans should know exactly what to expect before entering the field

By CHAUNCEY DEPEW SNOW

American Commercial Attaché at Paris

AS a rule the first question asked of me by American business men coming to France is as to the extent of the devastation in the regions occupied at one time or another by the Germans during the war. I have had the privilege of accompanying officials on tours of inspection through Lille, Roubaix, Tourcoing, Arras, Lens, and various other portions of the battle front and occupied regions.

I have had a number of business men ask me if it is true that the Germans deliberately stripped plants, applied the incendiary torch, blew up factories, and wantonly broke up machinery. Douai is the most complete answer possible to this question. In the city itself and the immediately surrounding district there are over five hundred industrial establishments with plant value of one hundred thousand francs or more each. A dozen of these plants have been valued at from ten million to one hundred million francs. Most of the others range from one hundred thousand to five hundred thousand francs.

This city is the fine example of a hustling

industrial city deliberately put beyond the possibility of competition, not by artillery fire or bombs, but by dynamite, the acetylene torch, and the sledge hammer. I have been in textile mills that looked to be in fair condition from the road and seemed to have a good deal of machinery in them even when you looked in the door. But when you came to examine the machines from nearby, you found every spinning frame, every loom, in fact all machinery, so knocked to pieces as to defy repair. Heavy iron or steel frame work was cut through with an acetylene torch; other parts were beaten up with a sledge hammer. In plant after plant charges of dynamite were placed under each of a battery of boilers.

There are many plants from which all machinery was removed and taken to Germany. There is no more striking exhibit of German wantonness than in the plants of the Escarpelle Coal Company at Douai. The superstructure over every one of the numerous pits was systematically blown up. The many small railway engines and freight cars were entirely destroyed. The manager of the mines de-

clared that the Germans operated this plant entire until within five weeks of the armistice and just before withdrawing assigned several units of engineer troops to this work of destruction.

The unmissing series of destruction of plants in the Douai region is not found in all the occupied industrial cities. Mill owners in Roubaix and Tourcoing issued a protest through their chambers of commerce, in consequence of which the German commanding officer gave orders that preserved a large part of the mills from being blown up or entirely put out of commission. These plants were stripped of all leather, copper, and brass, but many of them require little repairing.

As we met former proprietors and technical managers of industrial plants destroyed in various cities visited we asked them when they expected to start work again. They would shrug their shoulders and say "perhaps never," or "it will take a long time for us to get our machinery," or "it depends upon the government." These men are all looking forward to receiving indemnification and most of

them want to do business again as soon as possible. Some cities have been so completely wiped off the map, however, that no effort will be made to rebuild them.

Provision has been made by the French Government for the determination of individual losses and for making advances against the substantiated claims for future individual indemnities. The Ministry of Industrial Reconstitution, its predecessors, and the Ministry of the Liberated Regions are the two principal branches of the French Government concerned with reconstruction. The Ministry of Reconstitution is endeavoring to help the manufacturer whose plant has been only partly destroyed to resume operations immediately and to help the manufacturer whose industrial equipment has been removed or destroyed to get partial or complete installations at as early a date as possible.

Manufacturers and merchants restoring their businesses are required to notify the Ministry of Labor at least two weeks in advance of the date of resumption so that the Ministry of Labor may notify all former employees.

Everyone who has gone through the devastated regions during the planting season this spring has commented on the rapidity with which the land has been put back under cultivation. Allied troops and German prisoners have removed debris from much good agricultural land and the farmers, with their assistance, are putting their farms under cultivation. Possibly two-thirds of the land included in the devastated regions is being easily put in cultivation again.

Another branch of reconstruction which has been carried forward rapidly through the free use of labor troops and the assistance of German prisoners has been the repair of roads.

The inland transportation in France is one of the most difficult elements in doing business these days. There has been serious congestion in the ports and it is a rare dealer or manufacturer who has been able to count on prompt deliveries even if his goods have been cleared through the customs.

The one big point which has concerned all business men here interested in importing into France has been the import embargo. In general, importation without license has been restricted to materials entering into manufacture, whereas the list of articles requiring import licenses covers a wide range of manufactured goods. The policy of the government has been frankly, one of exclusion. The ordinary fate of an application to import American goods for which a license is required is a refusal. In some lines, importers have been allowed to bring in certain percentages, usually small, of the business of former years. This excludes new firms altogether and does not satisfy the old.

The government naturally wants to prevent the exchange value of the franc from falling any lower and wants to make French factories as busy as possible to provide work for as many demobilized soldiers as possible.

The protective reasons for a policy of certain restrictions are more or less obvious. The necessity for an assured market for French firms which are in process of conversion from war work to peace work; the reconstruction of mills in the war area; providing work for demobilized soldiers; preventing the market from being broken by heavy imports at lower prices for materials already on hand in consid-

erable quantities; and the protection of the rate of exchange.

Naturally, dealers who bought heavily at high prices and at high transportation and insurance rates during the war do not want to have the market opened up to present competition on a more favorable basis.

But it is not to be understood that manufacturers and merchants are whole-heartedly

Those Questions About France

WHAT is the business situation in France? Are the shelves bare and the people of France clamoring for American goods? Does the tremendous work of reconstruction in France promise to make demands on American industry sufficient to keep it busy for a long time to come?

Or has French industry so developed during the war, is it so pliable and readily convertible, and is it actually turning from war work to peace work so effectually as to make American industrial help in reconstruction unnecessary?

Is there any money in France to pay for purchases, or is everybody so poor that business can only be done on long term credits? What is the attitude of the French Government toward American commerce? How about the French tariff and the French policies of import restrictions? How about the rate of exchange in France?

These are some of the questions American business men have been asking. They are answered here by Commercial Attaché Snow, who has been making a special study of business relations between America and France.—THE EDITOR.

in favor of the extreme policy of import restrictions. From day to day men have come out in protest against one or another aspect of the restrictions. Although the government in April abolished the consortiums under the Ministry of Industrial Reconstitution, American manufacturers should not get the idea that consortiums, as central organizations for making purchases in the trades, no longer exist.

Will Business Pick Up?

ABIG factor in the French market situation today is the extent of the stocks of materials in the hands of the Allied Armies in France. The United States Liquidation Board and the General Sales Office of the A. E. F., it is said, have upward of one billion dollars worth of goods to sell. These goods were brought in for army use without payment of customs duties, and in addition to more or less installations and used equipment there are in various parts of France warehouses full of goods stored, in some instances, in quantities sufficient for an additional year of war. The French want to get as much of the engineering material and other supplies as possible where they meet urgent reconstruction needs.

On the other hand, some French manufacturers have protested that the release of army stores at low prices will ruin their market. Automobiles and motor trucks are one of the products much discussed. The French Government exercises control over the sale of this equipment and there is a possibility that the bulk of all the materials will be disposed of through French Government channels.

Our Quartermaster Corps had one bakery with a capacity of one million loaves a day; it had cold-storage plants and great factories for salvage work on clothes; it had laundries and other industrial establishments. An enormous amount of materials of the most diverse character are on hand.

Uncertainty over peace has been another important slowing factor in the market. I have had men after man tell me that when

peace is settled business will pick up. The many direct economic bearings of the Peace Treaty are apparent. The low exchange value of the franc of course makes prices high and many French purchasers who have money to spend are holding off in hopes the value of the franc will go up after peace is restored and the precise amounts of indemnities are assured and made known. And other purchases are being postponed or are being made on a very long credit basis by reason of the difficulty in getting French Treasury authorization to ship money or establish irrevocable credits of short term abroad.

France is obviously faced with higher taxes to meet the expenses of public works and the heavy interest on the war debt. The prospect of increased taxes is not pleasant to contemplate, but bankers here feel that the French people will meet these taxes with a readiness and resolution which can not but help reacting favorably on French credit generally.

There is certainly no general air of despondency among either French or American business men in this market, and sentiment here is generally that when the Peace Conference has completed its work, the demobilization and transportation back of the armies (which are taking place rapidly), are well along, the individual claims for in-

demnification are settled and the work of industrial and general reconstruction gets a little more impetus, the market will show more activity and buoyancy. There has naturally been some slowing of administrative machinery in the French Government by reason of the very presence of the peace delegations; the cabinet ministers and other responsible officials have been so occupied with the Peace Conference that many administrative matters have had to be postponed.

This country unquestionably needs a lot of goods which the United States is in a better position to supply than anybody else, and there is a persistent feeling in business circles here that the final settlement of peace will mark the turning point and that afterward business will be possible.

There was an unwarranted optimism in the United States as to the great volume of business which would be available here immediately after hostilities ceased. It was forgotten that reconstruction was not something that could be determined upon, financed, and set in motion without a moment's delay. This reconstruction work has proceeded much more slowly than a good many American business men had anticipated.

It was found that in a good many lines in France, just as at home, the shelves, instead of being bare, were pretty well stocked by foresighted buyers, who had anticipated even more difficulty in getting goods in another year of war and had loaded up while they had a chance. The policy of restricting imports was not suddenly abandoned, but, instead, it was intensified in some directions. In the face of all this, many dealers have allowed their early optimism to swing into dark pessimism, but in my judgment the latter is now no more warranted than the over-optimism of six months ago.

France needs the American market for its exports and France needs American goods, and trade relations between the two countries should continue to grow better.

What's Ahead of the Trolley?

Fortune, outrageous and otherwise, has put the street car into a corner from which officials see three escapes: private ownership with strict control, municipal ownership, and—extinction

By ROBERT KENDALL

LEGLESS man hopping around on elephantine hands that spread, like huge mushrooms, from the tips of elongated arms! Such used to be the nightmare of Sunday supplement scientists. It was suggested by the phenomenal pace at which the "riding habit," as evidenced chiefly by growing patronage of street cars, seemed to be supplanting the faculty of legs.

But time is showing that insofar as the facts are reflected by street car traffic, the "riding habit" is ceasing to grow. Mayhap it is declining. Between 1902 and 1907, street car riding increased at the rate of 24 rides per inhabitant of the United States. The increase fell to 15 during the succeeding five years and to 9 for the period ending with 1917.

Of course the automobile accounts for much of it, though the doctors and physical culturists account for some. But whatever the cause, the fact, along with many others of more immediate importance, is bringing troubled dreams of industrial dissolution to the managers of the electric railways. Indeed, they claim to have reached the point where they, acting alone, can do virtually but one thing—go out of business. Any other course, they say, depends upon the public.

"It is no longer a question of what return shall be allowed to the owners of the electric railways," declares John H. Pardee, President of the American Electric Railways Association. "It is a question of what service if any shall be rendered to the public."

And he adds:

"The cooperation of the public is the first *sine qua non* to the stabilizing of electric railway conditions."

Thus, if we accept the old popular appraisal, the relation between the managements of the electric railways and the patrons has been reversed. Mr. Common Man occupies a position not dissimilar to that once occupied by the Traction Magnate of cartoon and short story fame. It is up to him, say the managers, to pass on a good deal more than the future of the six-billion-dollar investment represented by the electric lines, or the nearly billion-dollar annual business carried on by them.

Applying to the Public

INDEED, so equally vital is the question to all sides that the owners are asking the public to do more than lend a helping hand. They beseech the public to come into full and free partnership with them. And they profess a willingness to waive control, to even share management, and to concede all benefits above confiscation of property. The managers say further that they are ready to put their cards on the table face up and let the public decide what they aver to be a question of life or death for their industry.

But there's the rub. How shall the meeting

of minds necessary to an understanding be brought about? For, though the cars still haul nearly 15,000,000,000 passengers a year, the street railways don't deal with the public but with a public.

The millionaire, the newspaper editor, the big merchant and banker no longer shares "standing-room-only" with the workingman,

Will the Horse Get His Laugh?

SOME years ago—and not so very many of them either—they took off the last horse car on Manhattan Island. The occasion brought forth a great deal of philosophical comment. It was another case of the passing of the horse. That faithful, but inefficient animal, had finished his period of usefulness as far as hauling street cars was concerned. Mechanical progress had crowded him out of the picture.

There are a good many horses alive to witness now the day when electrically driven cars stand at the tribunal that will help decide whether or not they have a right to continued support and existence.

A good many causes have combined to chasten the once mighty trolley. There have been unjust burdens and expense; the riding public has been unsympathetic and harsh because they ride on cars under trying conditions and partly because the companies and their patrons have misunderstood each other; add to that the enormous increase in the number of automobiles and the popularity of walking and you have some insight into the facts that make street car securities cry to deaf ears in the market places.

The situation became so grave—both from the view of the companies and the cities they are serving—that the President appointed a Commission of Inquiry, which is hearing the industry's side of the story. It is to listen to the proposals of the workers and the municipalities later.—THE EDITOR.

the clerk, the small householder. But those who can't afford automobiles still comprise the great majority, possessing a voting power which, in the last analysis, necessarily governs the policies pursued by boards set up for the regulation of public utilities.

And to say that the street car-riding public is prejudiced against the street railway companies, is to state only a truth which the managers justify as well as admit, and for which they assume due measure of blame.

"The public prejudice against the roads," says Wm. J. Clark, who built the country's first electrified street car line, "is due to certain acts of promoters in the past, excessive exaggeration of the effect of those acts, and the constant contact of the citizen with the service."

"A woman hastening to catch a car but failing to catch the motorman's eye may develop a fixed grievance against the company. The courteous conductor can be an invaluable asset to a company. You find him in some cities, notably Denver, Colorado, but unfortunately he hasn't been universally prevalent. Even the writers of fiction have helped to build up prejudice against us."

"If the railways had spent more energy educating the public instead of representatives of the public, we would have been better off."

An extra-official forum, where the representatives of the industry, of the public, of the municipalities and of labor, may meet and thresh out their varying views has been created by the President of the United States.

It is in the form of a Commission of Inquiry, composed of well-selected and representative men, which is now sitting in Washington. The railways are now presenting their side, and will be followed by labor and then the municipalities, the public being invited to participate in all features of the hearing. The Commission's power is only advisory; it will still remain for regulatory bodies and the public to adopt and apply measures of readjustment.

Meantime, the bulk of the electric railways are marking time. Already nearly 20 per cent of the country's electric railway mileage has been scrapped or is in receiver's hands. Dividends have almost ceased and interest payments are quite generally being passed. Equipment is becoming rheumatic; virtually no extension of lines is being made; and no less than 763 miles of road have been dismantled, and 257 miles abandoned.

Regulatory bodies in some cases have permitted increases in the price of fares. But, according to the railway managers, the mere raising of rates, in a majority of cases, will prove only a temporary surcease. For the difficulties that threaten the industry with extinction are due to more deeply rooted things than the cheapening of the nickel.

Cause for those difficulties reverts back to the beginnings of the enterprise, which were christened in characteristic American optimism more than in sound economic principle.

"Hopes were capitalized and hopes were sold," admits General Guy E. Tripp of the Westinghouse interests, who leads the Committee of One Hundred that is presenting the railways' side to the Federal Commission. His Committee is made up not only of electric railway executives and experts, but contains bankers, insurance men and others representing investments in the railways.

The Passing of a Type

BUT, according to those presenting the railways' case, the Traction Magnate type of street railway promoter, the kind that capitalized the future of communities, has disappeared from the industry.

"I think you will find very few of the street railway securities in the strong boxes of the estates left by those men," General Tripp declares. "It is true that large fortunes were made, fortunes that the five-cent fare would never have produced."

That water, however, has gone over the mill, says Tripp, with the result that the



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general public now owns most of the street railroad stock. And for that stock says Samuel R. Bertron, and other experts on electric railway securities, "there is practically no market today. Investors prefer oil stocks or any old thing, and as a result it is impossible to raise money on street railways. They have no credit."

The chief economic fallacies which according to the experts, helped bring about the existing situation are:

The overvaluation of the speed element, which they judged in comparison with the old horse cars. It has served less than was expected in reducing costs.

The construction of unprofitable lines, for the purpose of aiding in building up outlying communities. While admitting that real estate operations were sometimes indulged in on the side, it is denied that the practice was extensive or now hardly existent.

The system of inflexible fare-charges, often written into contracts with municipalities.

Failure to anticipate the increased cost of equipment due to improved public taste.

The construction of unprofitable suburban lines is defended on other than economic grounds.

"If, for example, the street railway system of Columbus, Ohio, had developed on the se-

cure lines that were followed in Glasgow, Scotland," say they, "the American city would have to crowd itself into fifteen per cent, of its present space."

And it is rather surprising to find the street railway managers joining with suburbanites in objecting to a system of zone fares for traffic other than between cities.

Such a system of charges, they say, will serve to build up inner zones at the expense of outer ones, and thereby react against the chief social service performed by the cars, which is to relieve congestion.

W. D. George, a real estate expert now serving as receiver for a Pittsburg street car company, estimates that a zone system based on a two-cent differential will shift real estate values from outer zones to inner ones at the average rate of \$1,000 per building lot.

The Direful Fixed Charge

BUT the fixed charge for service, represented usually by the five-cent fare, is what seems to have contributed most toward producing a gulf of misfortune for the street railways.

"No other business was ever founded on the basis of inflexible revenues," says General Tripp, "and none can be safely so founded."

The fixed nickel charge produced other

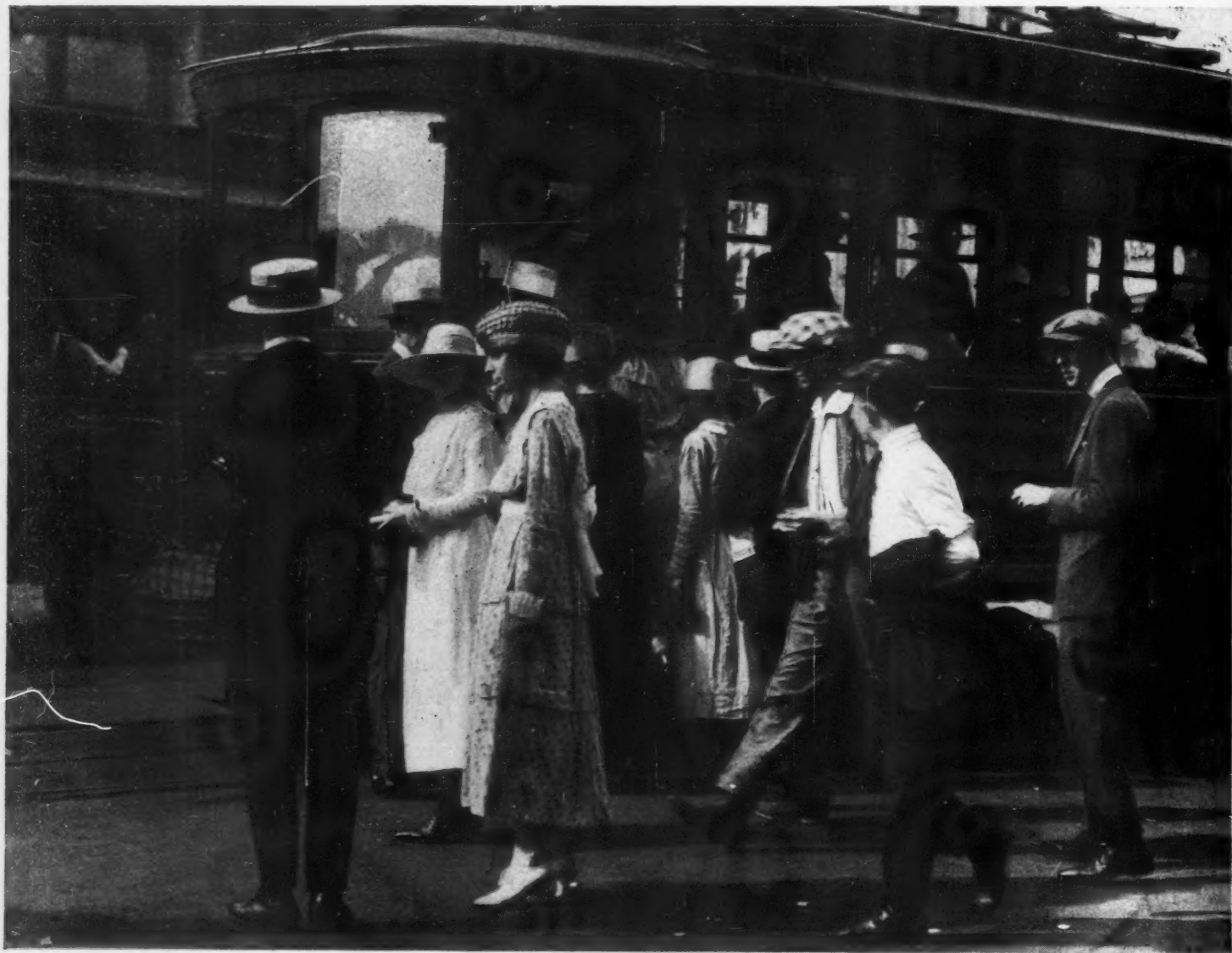
troubles than those due to variation in the nickel's purchasing power.

"When it was clear that the charge would be the same anyway, the public and its representatives got the idea that whatever was taken from the railways represented clean pickings," say the experts. "Steadily did we have to meet increasing public levies for paving, for bridges, for franchises, often even for taxes on gross revenues regardless of net income."

"The street cars do virtually no damage to paving and yet they are the only users of the streets which have to bear a special paving burden. The automobile's coming caused better paving to be demanded. Did they make the automobile bear a special part of the burden? No; but they increased our levy, though the automobile which caused it is our chief competitor."

"One New England company is now paying out \$400,000 to help meet the expense of a public bridge, and a lot of the cost is for ornamentation and much of it for the benefit of automobile trucks which are not taxed specially for the expense."

"The street car passenger never realized that those special levies sooner or later would have to come out of his nickel, a half cent of which now goes to taxes and other public



Like many another matter, this question of street car resuscitation is much more complicated than would at first appear. "Why not raise fares?" is the obvious question. But when you do that you have to figure on the

psychology of the person with the nickel. One company discovered that raising its fare from five to eight cents reduced the yearly number of rides from 29,000,000 to 23,000,000. Many people simply quit riding on the cars



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levies, which have risen all told to nearly 9 per cent of the total income of street railways.

"We don't object to paying taxes as others do, or to good paving or pretty bridges, but we do object to an inordinate part of the burden being put on the street car passenger."

But the fallacies, and the burdens growing out of them, which marked the development of the industry, bode no great misfortune until the automobile came with its unexpected competition.

One of the Villains

THE automobile's development marked a decline in the growth of street car business and, conversely, increased cost for carrying on the business. For more than a demand for better paving and better bridges came with it; a demand, also, for better cars and heavier rails (now usually heavier than those used by steam roads) and more costly roadbeds. Omitting increased labor and material values, the heavy street cars now generally used cost two or three times as much as the light carriers found satisfactory in the early days of the enterprise.

This burden was offset somewhat by improvements like the pay-as-you-enter car, and very materially now by the light one-man "Birney safety car," of which 1,000 have already gone into service. But those offsets prove only mild palliatives and are negligible when compared with the damage done street railway revenues by the jitney.

In one big city the jitneys lately have been carrying more passengers than handled by the trolley cars, but the cars have to handle virtually all of the profitless long-distance hauls and keep in condition to fully supplant the jitneys when bad weather curtails jitney operations.

Hence, problems immense and obscure face the street railway industry.

"While the jitneys and the trucks are performing useful transportation service," say the experts, "all tests prove that it is yet impossible for them to fully supplant the elec-

tric cars. You may be assured that when we find that the gasoline motor or the rubber-tired wheel can take the place of our electric motors and iron wheels we'll scrap our equipment and use busses instead. But for the present they simply can't do it. We don't ask that the jitneys be put out of business, but we do ask that we be permitted to make readjustments that the jitney and other unexpected developments render necessary to our continued existence."

The cheapening of the dollar caused the wages of street railway men to be raised from 40 to 100 per cent. The Government's War Labor Board's policy of awarding wage increases without regard to the revenues from which they were to come is approved by the street railway managers, for they realize that their men had to live. The Board had no power to increase revenues; it often made recommendations to regulatory bodies, which sometimes followed them, but frequently did not. The Government fixed the prices of many materials, and when effective pursuit of the war demanded it forced the companies to enlarge their services.

A company that produces street cars claims that its wage curve rose 116 per cent between January, 1915, and January, 1919, and the cost of materials went as much as 126 per cent higher.

Hence, it is easy for the street railways to show how net revenue from a three-quarters-of-a-billion dollar annual business dropped from \$41,800,000 to \$10,700,000 in 1918 alone. And easier still for a big dealer in street railway securities to show how the industry's outstanding bonds are now selling on a basis of earnings practically double that of 1906—and going begging at that.

The railway men claim their industry faces three alternatives:

Municipal ownership.

Private ownership, resting on a sound and fundamental basis of regulation and control. Absolute disappearance of the service.

"From the purely selfish standpoint of the investors," says General Tripp, "I have no doubt a sigh of relief would go up if the municipalities would purchase the electric railways at a fair valuation."

"Municipal ownership per se is practically a dead issue," declares Mr. Clark, the pioneer, "because public utilities have outgrown municipal boundaries. Communities depending on interlocking services, as extensions and the development of the interurban have made general, might find it difficult to work out the mutual problem involved."

And the interurban is suffering from most of the troubles that pester city lines.

The sentiment of the industry seems inclined to favor a service-at-cost plan like those now operating in Cleveland and Cincinnati. While they say it isn't "a perfect 36," it so far has proved satisfactory, both to the riding public and the companies.

It contemplates a reasonable return on the actual value of the property involved. When returns rise above that rates go down automatically and when below the rates go up. The business is carried on under the complete supervision of the authorities.

The industry declares a willingness to waive questions about "watered-stock" and to stand on cost or reproduction values. While they admit there has been "watering" in the past, they deny the practice was as common as generally believed.

"An absolutely uneconomic and unsatisfactory basis of relations has existed between the public and the electric railways since the establishment of the enterprise," says Mr. Pardee. "Whatever is done must be with the consent and acquiescence of the public."

Where it has been clearly shown that increased fares are essential to the continued operation of the cars the public usually has acquiesced, as in the case of several lines built for the special convenience of war workers.

The one great desire apparently evident in those who have been appealing for the industry is an understanding with the public.

The Export Twins

Capital and Commodities are their names and they must go into the foreign field together if we want to keep the blessing of a favorable balance from growing into a handicap

By WILLARD M. KIPLINGER

AMERICA is in the position of a merchant with goods on the shelves, a till full of money and a line of regular customers outside the door with empty baskets and no money. The country has plenty of goods to sell and factories for making them, combined with a tremendous demand from Europe, but the waiting purchasers cannot pay either in cash or by exchange of goods until their war-wrecked industries are rebuilt.

American interests must decide very soon what they are going to do. If further loans are not made, exports will certainly fall within a few months. If the policy of continuing credits is adopted, there arises the question of how to get it and how to distribute it. Credit does not grow wild on bushes nor flow spontaneously to banks. It is a big job to gather it up in small quantities from investors throughout the country, and the process directly affects every business, large or small.

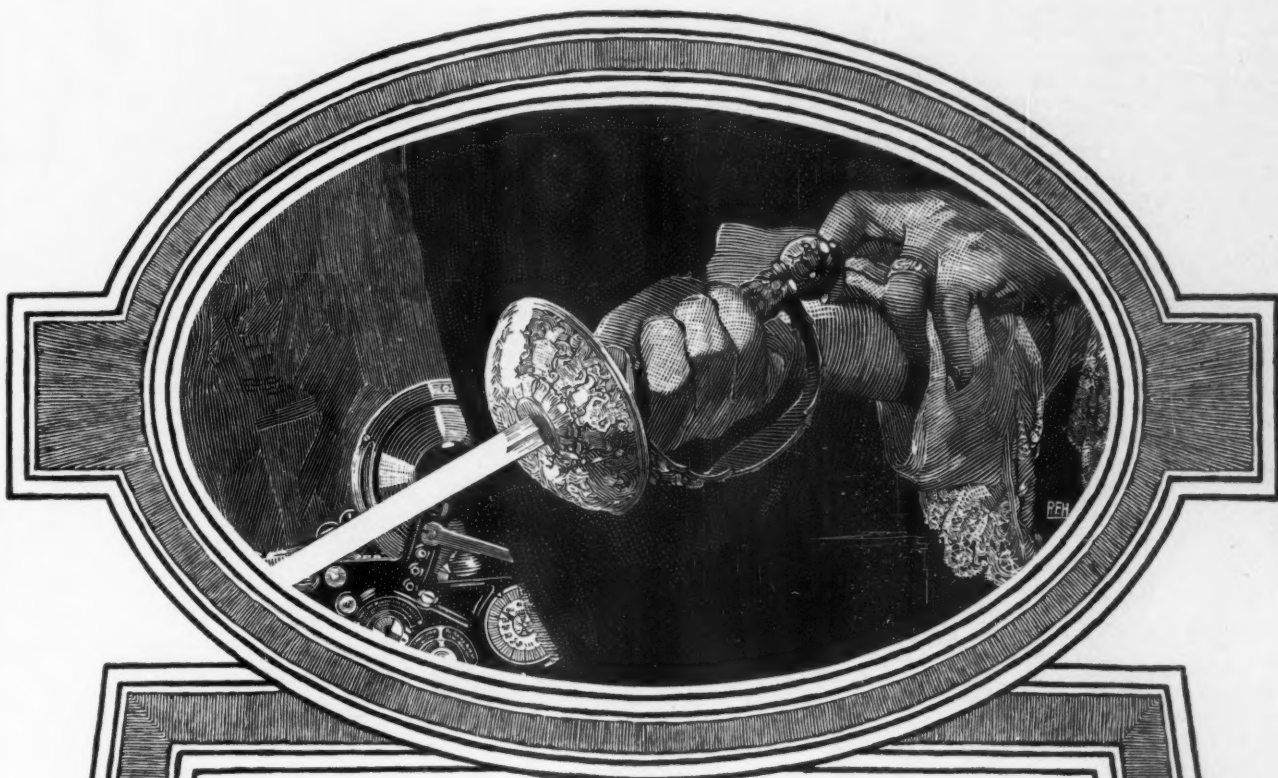
The financial predicament in foreign trade arises out of the fact that exports from the

United States, running at the average rate of about \$675,000,000 a month during the first half of the current year are so much greater than imports. For the last few months imports have been rising, and in June they were \$918,000,000. This made an excess of exports over imports, or a "favorable" trade balance of \$625,000,000, in that month. The tendency in normal times would be to counterbalance that excess by importation to the United States of a similar amount of money or credit with certain adjustments.

Looking forward to Europe's prospective need of commodities for reconstruction, wide variations in estimates appear. The French Government proposes to spend \$8,000,000,000 in that country alone for industrial reconstruction, and Andre Tardieu, General Commissioner for Franco-American War Affairs, says France needs \$10,000,000,000, half of which the United States would be called on to supply. Henry P. Davison estimates \$4,000,000,000 is required before Europe can get

on its feet again, ready to pay its bills in exports of commodities. Frank A. Vanderlip calculates the need at \$3,000,000,000, Governor W. P. G. Harding, of the Federal Reserve Board, at \$1,500,000,000, and several bankers recently returned from Europe estimate that \$2,000,000,000 is a fairer figure. To offset these, there probably will be an increase in imports to the United States, but these cannot be heavy for at least two years.

A rough inventory of the American credit situation shows something like this: The United States Government has less than \$900,000,000 of the \$10,000,000,000 authorized for loans to allies remaining to pay out, and more than half of this is already pledged, and little is being used to finance trade balances. Small loans have been made by private banking interests to European banks or governments, but these are comparatively insignificant. Europe cannot send gold to pay for goods as she did in the days of American neutrality and, furthermore, American bankers do not want it.



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In addition to needs for current export transactions, Europe requires about \$750,000,000 to meet maturing obligations in the United States during the last six months of this year. Even the pre-war offset of payments to European shipping interests for ocean transportation now is reduced by the fact that American bottoms carry American goods to a larger extent. An inevitable result of these conditions is found in dislocation of exchange rates which makes European buyers pay as much as \$1.60 for every dollar's worth of American goods.

Too Much of a Good Thing

THE diagnosis, then, seems to be that America has too much gold, too much credit, too many creditors, combined with insistent call for more credit to buy more goods. The remedy, unless the streams of goods so seriously needed abroad are to be diminished is—MORE CREDIT. This is urgent to enable Europe to line up her industries again so that they can pay obligations already incurred to the United States. It is doubtful whether this should be done at once or when Europe mends her credit a bit. Short term loans, for sixty or ninety days, are not enough, for Europe's need is far more than temporary financing. The plea is for longer term loans. This precipitates the question of how the money is to be raised in the United States and how it is to be distributed abroad.

Most business leaders now agree that one of the best means of administering loans to Europe is to organize a great foreign securities investment trust which would purchase stocks and bonds and notes abroad and issue against them in this country the trust's own debenture bonds. This organization might be modelled after the British investment trusts, the largest of which are capitalized at about \$10,000,000, although institutions of much greater size appear necessary for the American situation.

Investment bankers, commercial banks, if permitted, and other powerful business interests, would be glad to subscribe for the stock, to get the investment trust going. The institution would need adequate facilities for investigating foreign securities which might be offered and probably would seek guarantees by foreign governments of the securities issued in their countries. Co-operation and endorsement of the United States Government would be valuable, both to facilitate dealings with the foreign governments and to establish popular confidence in the institution's securities. This investment trust would provide a great credit pool of long time credits which would find their way into current export trade through banking channels.

Along these lines American business men are planning. Perhaps the most significant recent development is the creation of a committee of leading New York bankers to formulate definite plans of procedure. This committee, of which Henry P. Davison is one of the leading spirits, is reported as being inclined toward the plan of organizing a huge investment trust. The New York finan-

ciers also are in touch with leading bankers and business men of other important cities with a view to enlisting the co-operation not only of banks but of large business groups. Most, but not necessarily all of the credit advanced by the acquisition, would be used to finance the purchase of goods in the United States for export to Europe. The bankers appear to believe that an investment trust capitalized at \$500,000,000 or \$1,000,000,000 could succeed under present conditions in Europe only if the securities purchased by the trust were guaranteed by foreign governments. Frank A. Vanderlip even proposed a huge co-operative international loan in which all allied governments would participate, the loan to be guaranteed by customs receipts.

Several kinds of legislation have been proposed looking to solution of the foreign financing problem. A bill intro-

banks to cover previous advances to exporters. It has not been used up to the present for a variety of reasons, among which is the requirement that the interest rate must be at least 1 per cent. higher than the current commercial discount rate. The managing director of the corporation, Eugene Meyer, Jr., recently visited France and England to make a survey of the situation as it bears on the War Finance Corporation's functions. He returned with word that European banking institutions and industries were not sufficiently organized to be able to state comprehensively their needs from the United States. Until this was done, he said, it would be difficult to formulate a program.

Another pessimistic utterance on the world credit situation recently came from Sir

George Paish, former editor of the London Statist and one of the leading economists of Great Britain. He stated that a collapse of world credit was not only possible but imminent unless great capital levies, both national and international, were made by the respective governments. He suggested that both England and the United States wipe out about a billion dollars of debts owed them by continental countries and that an international credit be established as a feature of the League of Nations to improve the world credit situation.

In the United States a number of export associations are in process of formation under the Webb-Pomerene Act but their operations have not been put on a practical basis as yet.

Machinery for taking care of current commercial transactions already exists in the banking system of this country. There are a half dozen or more large banking corporations devoting themselves to international trade, with branches in other countries. One of these, recently organized, will specialize in

financing of trade between the United States and France. Several small investment trust corporations also have been organized.

Help for Weakened Friends

EXAMPLES of short time credits arranged by syndicates of big banks in co-operation with consortiums of foreign bankers are the recent Czecho-Slovak loan for approximately \$25,000,000 in 90-day bills, and the Belgian acceptance credit of \$50,000,000. In these cases, certain foreign banks are authorized to draw on the New York syndicates to the limit of the credits established.

The problem of financing the nation's foreign trade during the restriction period in Europe is a big problem to be undertaken in a big way, but it is not a question for big business only. Small investors can participate to make the plan a success, for it is they who must supply much of the credit. Manufacturers and merchants as well as bankers must be partners. Big exporters and big producers already are vitally interested. All these classes should give careful study to the proposals. For all may find it profitable to cast their bread upon the waters.



duced by Senator Edge after consultation with the Treasury and Federal Reserve Board would provide for organization of a private foreign trade financing corporation with capital of not less than \$2,000,000 to operate under close supervision of the Federal Reserve Board.

It would have no government capital nor government participation in the management, however. The institution might exercise ordinary commercial banking powers in financing of current trade transactions, and in addition could lend to European purchasers of American goods even on security of mortgages. Subsequently it might borrow in this country through issuance of bonds. Another pending bill would open the way for all national banks to invest up to 5 per cent. of their capital and surplus in the stock of foreign financing corporations; at present this privilege is restricted to big banks. Still another measure would remove some of the restrictions imposed on the War Finance Corporation's administration of its billion dollar fund for financing foreign trade. This fund was created as a reservoir from which to draw loans for exporters, or for

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Why Not Fix Prices?

The days of simple things and simple systems have, Alack! departed; we find ourselves bound in an economical warp and woof, that holds inexorably to its pattern

By HOMER HOYT

Formerly with the Price Section of the War Trade Board

WANTED: A prescription that will cure the High Cost of Living. This remedy must be effective against a thousand kinds of price increases and must have no injurious effects upon labor. Apply to Woodrow Wilson at the White House or to Congress.

THE belief is now almost universal among the peoples of the world that high prices are due to profiteering and that prosecution of the profiteers or the fixing of a few prices will drop us back on the pre-war level of prices overnight. A few motions with the Government's price-fixing wand, the shaking of the stick of the Sherman law at the "trusts" and presto, the price of \$50 suits will fall to \$25 and steak from 60 to 30 cents a pound. Wage-earners everywhere accept higher wages as evidence of the nation's slow recognition of the higher worth of labor, but they call the wrath of heaven against the "conscienceless profiteer" who cheats them of the benefit of their wage increases. So the sullen discontent that broods in millions of households is taking definite shape in food riots in Italy, in banners carrying the slogan "Down with the High Cost of Living" paraded in Canada, and in petitions of the Railroad Brotherhoods to the President.

What is the President or Congress going to do about the high cost of living? What can they do? The issue is fairly thrust upon them. The people have faith in the magic of Government intervention in prices and the people will blame the present President or Congress if they do not exercise the power which the people believe they have. It is a political issue now like the tariff, and Democrats or Republicans will be charged with responsibility for the course of prices as they have been blamed for the supposed results of the tariff.

So the President has called a conference of the heads of departments in Washington to solve the problem of high prices. What can these men do? To what extent can any government agency lower the general cost of living?

Stop. Look—and Figure

THE job for which Congress proposes to contract is the leveling of prices to their pre-war basis. Before purchasing excavating machinery it would be advisable to secure detailed specifications of the complete undertaking and an engineer's estimate of the cost. How many cubic yards of inflated materials must be removed in order to take the height out of the cost of living? This is a problem upon which the price statisticians in Washington can make accurate computations. The Price Section of the War Trade Board and the Bureau of Labor working independently have reached the same conclusion, namely, that the average increase in the prices of all commodities since 1915 has exceeded 100 per cent. The growth in the prices of thousands of commodities has been scientifically measured and it has been found that the vast majority of them have doubled in stature. In other words, the job calls not for the leveling of a few jutting price-peaks but for the sink-

ing of the price-plateau to a far lower plane.

If Congress starts to fix prices, it must fix thousands of prices. If it fixes retail prices it must fix wholesale prices or else the retailer will be forced out of business. If it fixes wholesale prices, it must fix costs, for the Supreme Court will not issue a writ of mandamus to compel a manufacturer to produce at a loss. If it fixes costs at a lower level, it must inevitably fix wages at a lower level, for wages are the ultimate basis of cost. Wages are the chief element in the expense of putting raw materials on the market, and wages are the chief expense in fabricating these raw materials into finished products. Thus the end of the gigantic price-fixing undertaking would be a lowering of wages. Lower prices bought by lower wages would be a fruitless trade!

Where Will It End?

BUT we must look at the complex chain of prices from another angle in order to realize how far Congress would be led when once it attempted to unravel the tangled skein of prices. The fixing of the prices of wheat during the war necessarily affected the prices of the substitutes of wheat. Corn prices rose so rapidly that it became more profitable to raise corn than wheat during the war. And so do rice, barley, potatoes, beans and many another wheat substitute feel the force of the Government's power applied to wheat. Thus the attempt to lower prices at any point in the interwoven fabric of prices throws the market prices out of adjustment at a hundred points.

But price-fixing would not confine its disturbing effects to the United States, because American prices are part of a world-wide system. Prices in the leading commercial nations of the world are now even higher than in the United States, in England they have risen to 133 per cent above the pre-war level, in France the increase has exceeded 200 per cent, and in Sweden it has reached a point over 400 per cent in advance of the peace-time basis. The United States is even now a cheap market compared with Europe, and is consequently a favorable country for European purchases. Now let the level of American prices be artificially lowered still more and goods will pour out of this country into Europe at a rapid rate unless Congress stops it by putting an embargo upon all exports. Thus the task of lowering the price level in the United States would finally involve the lowering of the price level throughout the world.

Instead of trying to cut off the heads of a million separate prices faster than new heads can spring up to take their places, Congress might attempt the method suggested by Professor Irving Fisher and regulate the value of the dollar itself. Since prices have doubled and wages have doubled, let us declare by law that the value of the dollar shall be doubled. This can be done by doubling the gold contents of the dollar. If this proposal would be adopted the value of the dollar would be determined by the average prices of all commodities, instead of the average prices of all commodities being determined by the value of

the dollar as at present. In other words, we would keep our measuring stick of value constant, we would not allow the yardstick with which we measure prices to shrink to 18 inches as it has done during the war.

But Congress will doubtless refuse to tamper with such definitions as the dollar. We do not yet seem to have quite confidence enough in the prognostications of the price bureaus to trust them with the practical regulation of values. The time may come when prices and price-control will be relegated to the field of science and when a board of experts will regulate the value of the dollar according to monthly price quotations, but this time is not yet. The confidence of the people is a vital factor in the success of such a proposal, and that confidence must be won by educating the people in the mysteries of the price calculus.

There is no patent medicine that will relieve us of the pain of high prices. That fact should be extensively advertised by the Government. Congress and the President may succeed in tearing down local price peaks that have risen higher than the general plain; they may succeed in curbing some profiteers and in smashing a few trusts that may lower the present price level as much as 5 per cent, but the expectation that we can enjoy 1919 wages and 1914 prices is illusory and should not be held out as a false hope. The facts are that prices have doubled because wages have doubled or that wages have doubled because prices have doubled. Like the hen and the egg, it is impossible to say which came first.

Who Started It Anyhow?

A HEAVY demand for the munitions of war on the part of our allies led to increases in prices in the United States in 1916, and munitions plants paid higher wages to secure labor. Other industries competing with munitions plants were obliged to pay higher wages in turn and higher wages brought on higher prices. As prices went up, laborers demanded and received higher wages to meet the increased cost of living. Thus prices and wages are tied together; they rise and fall together.

The masses of consumers are also laborers, and when they pay high prices they are merely paying the higher wages that go into the envelopes of laborers. The Railroad Brotherhoods pay more for their food because farm wages and the wages of packing house employees have doubled, while the farmer pays more for his plow because the wages of the Railroad Brotherhoods have advanced. The city workman pays a higher street car fare because street car motormen and conductors receive higher wages, and the street car employees pay more for their clothing because some of the city workmen also receive higher wages. Thus labor transfers more money from the coat it wears as consumer, but it also receives more money into the pocket of the jacket it wears as producer. The net result is the same as before, but the popular reasoning about it is vastly different.

The average man cannot get it into his
(Concluded on page 90)

DEPENDABILITY

ATLAS Cement

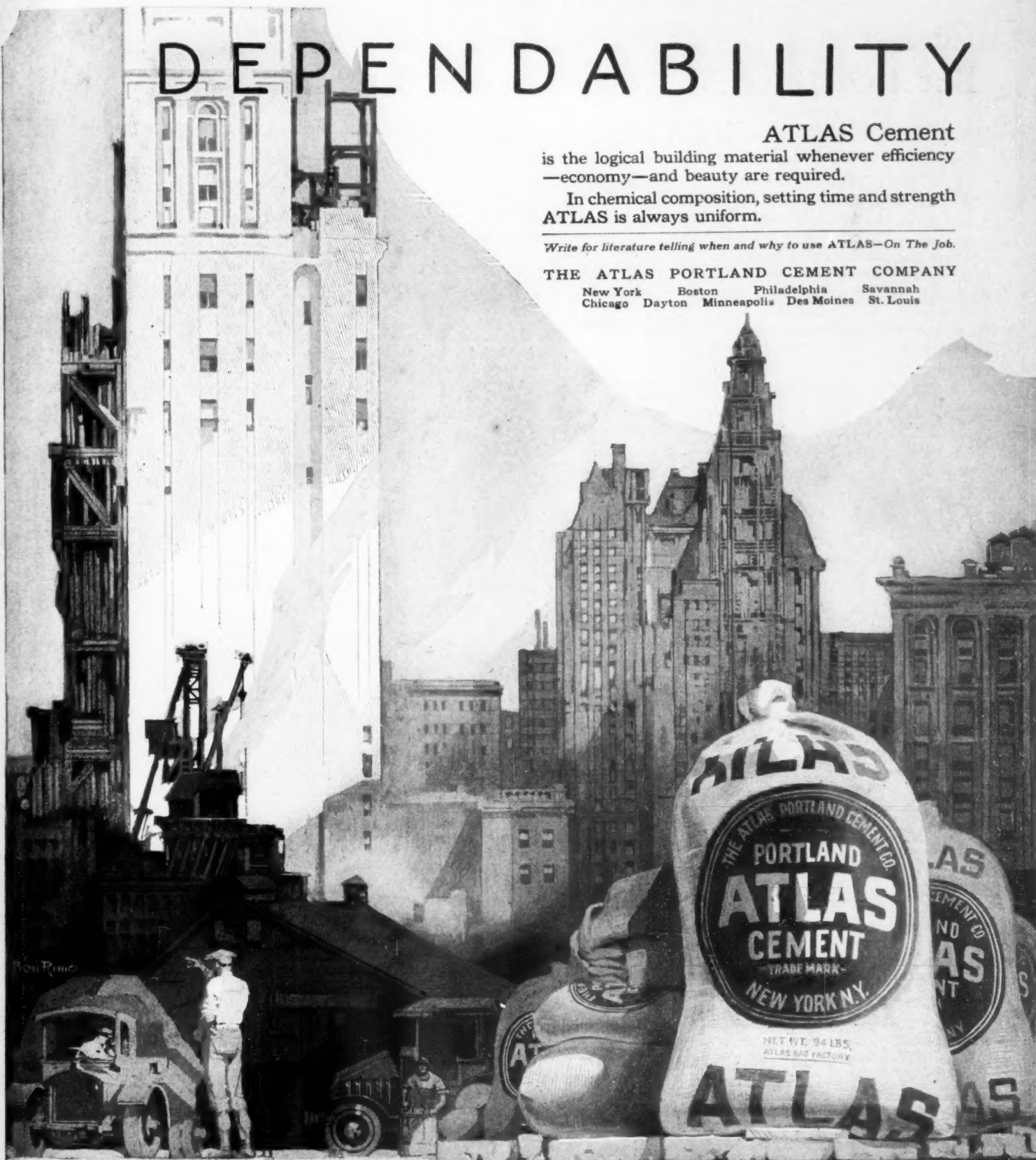
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ATLAS CEMENT

Europe May Boil Over and Things at Home Begin to Smoke, But the American People Refuse To Lose Their Balance

By ARCHER WALL DOUGLAS

WE are evidently in the throes of that turbulent stress and trial which marks the culmination of every great era such as the World's War from which we have recently emerged. All our rosewater prophecies of universal good feeling and community cooperation and fellowship have gone glimmering, and we are up against the unpalatable fact that first of all we must pay the price of the great world wide conflict in the creation of disturbing and demoralizing tendencies which are the first and obvious re-

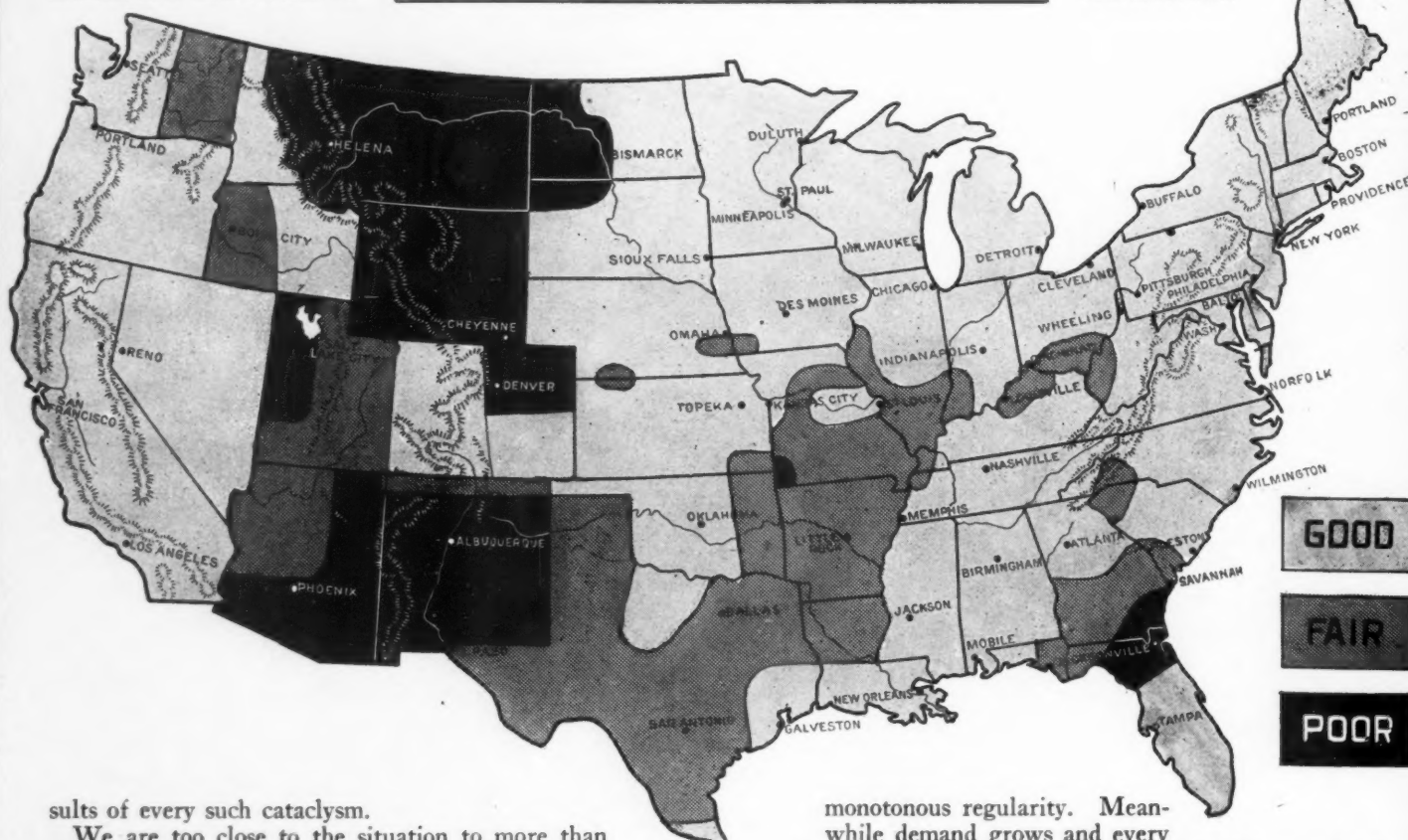
purpose. Gray dawns often develop into fine middays.

For in all time of our tribulation and in all time of our prosperity we can count upon the good common sense and genuine patriotism of the American people asserting themselves and taking care of any situation which arises.

The industrial situation is the storm center of economic unrest and finds expression in an epidemic of strikes. They interrupt production and increase the cost of manufactured articles with

Business Conditions, August 11, 1919

THE map shows at a glance the general business conditions of the country. It is prepared by Mr. Douglas as a weather map of business, and should be so read. The light areas indicate large bank deposits, promising crops, industrial activity, evidence of an economic evolution, creating new needs in home, shop, and farm—in a word, a "high pressure" buying market. The black areas locate reverse conditions. The shaded area means half way.



sults of every such cataclysm.

We are too close to the situation to more than dimly discern the true import and trend of the period through which we are passing. That is reserved for the students of a later day. It needed an entire generation to make evident the meaning and results of the abolition of slavery in our own country.

Meanwhile students of the situation, especially in the South, might well have despaired. For during a whole decade the economic and political life in the South made Hell seem like a Sunday School picnic. Today the striking and sinister feature is the glaring desire and intent of many classes to look solely to their own interests instead of those of the country as a whole. It is a rather awkward and short sighted method of attempting to bring about a more equitable distribution of the good and necessary things of this world. Inevitably it is riding to a fall in the shape of the cold grey dawn of the morning after, when there will come the consequent reaction and a saner and more practical point of view and

monotonous regularity. Meanwhile demand grows and every form of industry is fast being flooded with more business than it can readily take care of. This of course means further advances in the price of commodities so affected, but so far that does not seem to lessen demand.

Dealers, both wholesale and retail, are buying more liberally, both for current and future order. For it is increasingly apparent that goods are growing scarcer and harder to get and that the only way to keep up stocks of merchandise is to do it now. Good and efficient labor is still very scarce especially in those industries where skilled labor is essential. The ordinary and less efficient forms of labor are more plentiful.

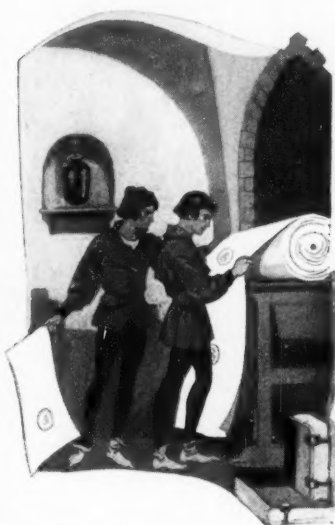
The Crop Outlook

MOST unfavorable weather during the past thirty days, too much rain in some sections and a lack of it in others, took a heavy toll of the crops. The yields in general will be much less than seemed likely—yet when all

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The First Watermark

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HAMMERMILL PAPER COMPANY, Erie, Pennsylvania

has been discounted there remains an abundance of food in this country. More than sufficient for our own needs and much to spare for those abroad.

There is still no reason, nor has there been at any time, for the prevailing prices of food products. On this subject we are going through a period of widespread interest and agitation, which will probably reveal how unfounded are present prices of food in most instances. There seems to be a queer delusion on the part of official control that their mission is to save the Government from spending the money appropriated by Congress to make good the Government guarantee to the farmer on wheat.

It is a bitter comment on their policy of not altering the form of this guarantee, that at the time when they were submitting statistics to prove that the price of wheat does not sympathetically affect the price of other food products, that on the rumor that the price of wheat was to be lowered in this country that the Argentine grain market fell into a sudden panic with instant declines in prices, and that the prices of corn and hogs went off sharply in our own market.

Then to further emphasize the lack of connection, the next morning when it was announced that no change in the form of guarantee was contemplated corn shot up sharply nine cents a bushel in this market and the Argentine markets recovered their losses. It is an unfortunate thing to exploit a theory at the expense of common sense and experience.

The delay in the matter of the Peace Treaty is unsettling. Those in touch with the situation know full well that the large majority of sentiment in this country is for ratification and is most desirous of having the matter concluded. Meanwhile there goes on in many ways and in various sections a steady production in wealth, known only to few and unnoticed by the many.

Weekly shipments of vegetable and fruits are running from ten to twelve thousand cars per week—about three thousand being each of peaches and watermelons. The commercial peach crop this year will be 34,000 carloads, or about 30,000,000 bushels, of which California furnishes more than one-half.

The sugar beet industry, comparatively new in this country, will furnish about six-sevenths of the sugar grown in this country, and more than one-half of the production is from the far western states.

In many of the mountain states agriculture is treading close upon the heels of mining as a product of great moment.

In Arizona on irrigated farms, where once tarantulas, rattlesnakes, and horned frogs held sway, they are raising fruits, vegetables,

wheat and the finest variety of large staple Egyptian cotton—while Utah, Idaho and Colorado are large shippers of fruits and vegetables eastward. With the steady extermination of the Texas cattle tick, the south is coming into its own as one of the great cattle raising sections of the world. It has an abundance of water and forage and a climate devoid alike of blizzards and draughts.

But most notably and most remarkable is the campaign for diversifying crops and increasing agricultural production which found vital and striking expression in Arkansas some five years ago. In 1914 the price of cotton dropped to 5½ cents per pound and the farming community of Arkansas went down into the slough of despond. It was then largely a one crop country—that of cotton—and when the price of this staple fell to less than the cost of production, the farmers had nothing with which to buy food for man and beast, which they were in the habit of importing from the west and the north.

So some enterprising merchants and bankers in Little Rock, through their Chamber of Commerce, put on an educational campaign with the slogan "Let Arkansas feed herself." Now most slogans are invented for publication only and are soon forgotten by all save the inventors. But not so with Arkansas. The farmers of Arkansas were soon convinced that their safety lay in diversified farming and in greater all around production and more intelligent methods of cultivation.

In a twelve months the results were only too apparent. The amount of money sent out of the state for food and feed was cut in two, and Arkansas is fast coming to the point of raising all the food it needs for its own consumption and of being largely self-contained in all its wants.

Some six months after the inauguration of the Arkansas campaign the live wire city of Memphis inaugurated a similar movement in its trade territory and with equally far reaching results.

Now St. Louis is in the game with a production bureau of its Chamber of Commerce and a wide extended plan of agricultural development in much of its territory, especially in its own state.

The far reaching merit of these movements lies not alone in the increase in production in all the agricultural regions so affected, but in the recognition that the farm is a factory of inexhaustible output when properly and intelligently managed; and even more, these movements make life on the farm worth while by so improving living conditions there so that agriculture has an interest and an intelligent purpose as the most fundamental of all pursuits.

A Horoscope of the Nation's Business by Principal Industries

Iron and Steel

STEADY progress toward larger production and wider markets was made by the iron and steel industry during July. Pig-iron production for the month average 78,340 tons daily, as compared with 70,495 in June, while on August 1 the estimated daily capacity of the furnaces in blast was 85,635 tons. The volume of sales in nearly all lines of finished steel gained steadily, especially wire products, tubular goods, sheets, and tin plate. Export business was active, particularly in railroad equipment and material. Unfilled orders of the Steel Corporation increased 685,806 tons

during July. Prices, where changed, have been revised upward, but most producers are apparently content to maintain prevailing levels until the close of the year. Industrial unrest is practically the only unfavorable factor in the situation.

Lumber

LITTLE relief has come to the lumber market in the way of increased stocks, but prices, after having advanced in rapid and irregular spurts, promise to become more stable. Several large manufacturers have issued lists good for thirty, and some as long as ninety, days. No tendency toward lower lev-

els has developed, but the day of prices determined only by buyers bidding against each other for available supplies seems to be passing. The change is welcomed by those interested in the good health of the lumber business, while the consumer is relieved of uncertainty if not of high prices.

Copper

COPPER passed the predicted 20 cent mark in July, but in the second week of August the demand at the higher range of quotations fell off and prices showed a tendency to decline. Buyers were inclined to wait, believing that values had gone up rather too rapidly. There is apparently little expectation, however, that prices will drop far. Lead and spelter, both of which accompanied copper in its upward trend, also fell back.

Textiles

THE textile industry is wrestling with the problem of increasing production rather than increasing sales. Demand for goods is insistent and producers are well sold ahead. The statement that high prices in the cotton goods lines have not yet reached the consumer by perhaps 50 per cent is calculated to disturb both seller and buyer. Cotton and wool prices remain high, working hours have been reduced and wages raised, while profit margins from manufacturer clear down to the buyer are reported large. Will the retail trade absorb the goods at predicted advances? There is now somewhat of a lull in the activity of the cloth markets while traders are thinking over the problem.

Hides and Leather

SOME signs of what the future holds in hide prices would be thrice welcome to the leather tanning industry whose ideas of top marks have been repeatedly upset in recent months. Early in August the more conservative buyers began to wonder if the turning point had not finally been reached, but prices still held firm. High-priced hides tanned into high-priced leather and made up into high-priced shoes means loss for someone should the market break or the ultimate consumer refuse to buy at the big advance passed on to him. Sellers insist that the market will stay firm, for there is a world-wide need of all the leather and leather goods that can be produced. Buyers just hope. Meanwhile, exports of leather and leather goods in June reached nearly \$40,000,000.

The Partner Has His Rights

PARTNERSHIPS have had their difficulties under the laws for income taxes. Both a federal district court and a court of appeals have now held that in one respect the government under the original law of 1913 attempted to collect too much tax from partners. As the law said each individual partner was to pay tax upon his share of the partnership profits, the government took the position that the source of the profits was immaterial,—that the normal tax had to be paid upon them even if they represented dividends from corporations which had paid income tax and on which an individual drawing dividends directly would not pay normal tax.

On this point the courts have disagreed with the Treasury Department, and said that the partner in such a situation should have the same exemption as an individual.

In 1916 Congress altered the law in such a way that there could be no doubt that a partner has the same right as an individual stockholder.

From Wheatfield to Flour Sack via the Motor Truck

How Ship by Truck Helps to Make and Distribute Flour

(A reprint of an advertisement by Harvey S. Firestone, President, Firestone Tire & Rubber Co., which appeared in the Literary Digest of July 19th)

IN previous Ship by Truck articles the study of transportation has been general. Here we see what it does for one industry; the making of flour. Many owners of small flour mills have had difficulty under recent conditions in delivering flour and obtaining wheat. Ship by Truck answers both problems and makes a logical "return loads" arrangement. Millers are hauling flour and feed out to the farmers, building up their sales, and returning with wheat purchased at from two to five cents below "mill door" price.

From Threshing Machine Direct

In many instances the wheat is being hauled directly from the threshing outfit in the field. This saves time and labor in handling. Here is an economic influence that affects every one of us. It reduces the cost of one of the most important food staples.

A mill in Grove City, Ohio, has expanded its selling scope from "mill door" trade to a radius of some ten miles through Ship by Truck. They have eliminated the delays of short haul freight to adjacent towns. And they have opened up profitable business in nearby territory that could not be obtained otherwise.

A fifty-year-old flour mill in Jackson County, Wisconsin, more than holds its own against youthful competitors by a vigorous application of modern business methods. Ship by Truck has carried the flour from this mill to all the surrounding villages and farm homes and wheat has been brought in at low cost as needed, effecting a saving for the farmers as well as the mill itself.

Local Wheat Market Revived

In Norwalk, Ohio, a small flour mill enjoys a lively trade with grocers within a 25 to 30 mile ra-

dius, by the aid of Ship by Truck. A thriving business was re-established after the mill had been out of operation for several years. This mill has proved especially successful in stimulating wheat production in the community by furnishing an active local market.

Trucks and trailers are responsible for the fact that many thousands of such small flour mills throughout the country are today in active operation.

Flour Moved at Reduced Cost

A miller at Springfield, Ohio, reported that he was able to deliver flour at the dealer's wareroom at the cost that he could by rail to the freight station in the same town. In addition, the volume of business to small dealers has been increased. For in many instances he states they will increase a normal order of say, five barrels, to fifteen barrels in order to have it delivered promptly at their door by truck. This miller also states that his trucks operating through the country have proved an excellent advertising medium. "We gain also through the fact that we are enabled to keep a better class of labor on our delivery service than we could with our teams. Although it costs more money, the output is practically double per man."

At Work for the Larger Flour Mills

The work of Ship by Truck for the larger milling companies is well illustrated by the report of a concern which operates over forty-one trucks and upwards of sixty salesmen's cars at all times. Their cost sheets convinced them that trucks were not only a saving over horse vehicles, but in a large number of situations were transporting flour at less than railroad freight rates.

Near Sacramento, California, seven three-ton motor trucks replaced forty-five teams in moving the wheat from a 23,000-acre farm. Here the problem was largely a matter of labor. The truck drivers were paid higher wages individually than teamsters. But seven men did the work of forty-five; and the crop was moved promptly to the mills—which would have otherwise been impossible. Ship by Truck is already a mighty factor in lowering the cost of flour. Its broader application should aid housewife and baker to produce a larger loaf for the same cost or to reduce the cost of the present loaf. Farmer, miller, baker and consumer share in this saving.



**Firestone Ship by Truck
Bureaus are now in operation
in the following cities:**

Akron, Ohio
Albany, N. Y.
Atlanta, Ga.
Baltimore, Md.
Birmingham, Ala.
Boston, Mass.
Brooklyn, N. Y.
Buffalo, N. Y.
Charlotte, N. C.
Chicago, Ill.
Cincinnati, Ohio
Cleveland, Ohio
Columbus, Ohio
Dallas, Tex.
Davenport, Ia.
Des Moines, Ia.
Detroit, Mich.
El Paso, Tex.
Erie, Pa.
 Fargo, N. D.
Grand Rapids, Mich.
Great Falls, Mont.
Harrisburg, Pa.
Hartford, Conn.
Houston, Tex.
Indianapolis, Ind.
Jacksonville, Fla.
Kansas City, Mo.
Los Angeles, Cal.
Louisville, Ky.
Memphis, Tenn.

Milwaukee, Wis.
Minneapolis, Minn.
Minot, N. D.
Nashville, Tenn.
Newark, N. J.
New Orleans, La.
New York, N. Y.
Oakland, Cal.
Oklahoma City, Okla.
Omaha, Nebr.
Philadelphia, Pa.
Phoenix, Ariz.
Pittsburgh, Pa.
Portland, Ore.
Providence, R. I.
Richmond, Va.
Rochester, N. Y.
Sacramento, Cal.
St. Louis, Mo.
Salt Lake City, Utah
San Antonio, Tex.
San Francisco, Cal.
Scranton, Pa.
Seattle, Wash.
Spokane, Wash.
Springfield, Mass.
Syracuse, N. Y.
Toledo, Ohio
Washington, D. C.
Wichita, Kan.
Youngstown, Ohio

**Call up your Local Bureau for Names of
Lines, Rates, Schedules and Other In-
formation Regarding Truck Shipment.**



The Log of Organized Business

Our Future—and Europe

THE International Trade Conference at Atlantic City during the week of September 29 gives promise of being the most important gathering of the kind ever undertaken, coming, as it does, at the end of the great war, when the Nations of Europe are bending energies and straining resources to reorganize scattered commercial forces, rebuild wrecked industries and, in many instances, cope with threatened famine due to interrupted production of foodstuff and the breaking down of transportation.

The Conference meets under the auspices of the Chamber of Commerce of the United States, which extended an invitation to Great Britain, France, Italy and Belgium for a joint Commercial Mission to visit this country for the purpose of acquainting American business men with the situation abroad, explaining European economic difficulties and suggesting the best method of cooperation with the view of bringing about closer relations between the United States and the European countries with which she was associated in the war.

The invitation was promptly accepted, and Elliot H. Goodwin, general secretary of the National Chamber, and Ben H. Lambe, associate editor of *THE NATION'S BUSINESS*, have gone to Europe to complete final arrangements for the organization of the Joint Mission and its trip across the Atlantic. At least two of the countries which will participate in the Conference have announced their intention of sending cabinet ministers, and each will have at least one important government official in its Mission. Newspapers printed in these countries are predicting that much good will come from the exchange of views to be had.

Federal departments at Washington are co-operating with the National Chamber of Commerce, as the visiting Missions will be official in character, having the sanction of their respective governments. Each Mission will include five principals and several assistants and secretaries, making a party of about sixty. American delegates, chosen in such a way as to represent all parts of the United States and all business interests of the country, will be chosen to meet the Missions at Atlantic City for the Conference.

A general committee of from twenty-five to fifty men from all parts of the country will be appointed to make the program for the International Trade Conference, and look after the arrangement for a trip which the visiting Missions will take to a number of commercial and industrial centers under the auspices of the Chamber of Commerce of the United States. A. C. Bedford, New Jersey, will act as chairman of both the general and executive committees. Other members of the executive committee thus far selected are:

Homer L. Ferguson, President, United States Chamber of Commerce; Thomas W. Lamont, of J. P. Morgan & Company; Harry A. Wheeler, Vice-President, Union Trust Company; James A. Farrell, Chairman, National Foreign Trade Council; John H. Fahey; George Ed. Smith, President American Manufacturers' Export Association; R. Goodwyn Rhett; William Fellowes Morgan, President, Merchants' Association of New York; Alfred E. Marling, President, New York State Chamber of Commerce; Joseph

In spite of fogs and squalls, the good ship forges right along, thank you, and there are events aloft and below that are eminently worthy to be recorded

H. Defrees, of Defrees, Buckingham & Eaton; Ernest T. Trigg, Vice-President, John Lucas & Company; Theodore F. Whitmarsh, Vice-President, Francis H. Leggett & Company; Lewis E. Pierson, Chairman of Board, Irving National Bank; Edward A. Filene, William Filene's Sons Company; E. G. Miner, President, The Pfauder Company; Ivy L. Lee; and Owen D. Young, Vice-President, General Electric Company.

To Speed the Mails

THE latest developments of the plan worked out by the United States Post Office Department and the National Chamber of Commerce, to eliminate delays and effect improvements in the mail service, are as follows. Fifty of the largest mail centres, handling fifty per cent of the mail service, were asked by the Chamber to lend their cooperation in the establishment of Committees on postal facilities, to investigate the local postal service and report recommendations. Local postmasters were instructed by the Post Office Department to assist. Joint committees, acting with the aid of Division Superintendents of the Railway Mail Service, are to work together when service between two cities is involved. Reports of conclusions reached are to be submitted to both the Post Office Department and the Railroad Administration, when either is involved, and to the National Chamber.

Replies to the letters addressed by the National Chamber to fifty of the largest mail centres, with promises of immediate cooperation, were received from Chambers of Commerce of Syracuse, Los Angeles, Hartford, San Antonio, Kansas City, Pittsburgh, Boston, Brooklyn, Detroit, Little Rock, Albany, Omaha, Memphis, New Orleans, Houston, Dallas, St. Louis, Des Moines, Richmond, Washington, San Francisco, Cincinnati, Providence, Rochester, Springfield, Akron, New Haven, Atlanta, Indianapolis, Portland, Oklahoma City, Baltimore Merchants and Manufacturers Association, Commercial Club of Salt Lake City, Minneapolis Civic and Commercial Association, Chicago Association of Commerce, Toledo Commercial Club, Merchants' Association of New York, Saint Paul Association of Public and Business Affairs, Denver Civic and Commercial Association, Louisville Board of Trade, and New Orleans Association of Commerce. Richmond, Virginia, proved first in moving to positive results through constructive suggestion, but the spirit shown throughout has been highly gratifying.

Westward Ho!

OFFICERS and Directors of the National Chamber of Commerce have now completed a tour of the Western States, during which they made a careful study of business conditions and industrial needs in the West. The tour started from Chicago on July 26 and ended in the same city upon August 17.

The officers and members of the board came from all sections of the country. The party visited eleven cities discussing with business leaders in each the business conditions of their locality. Their itinerary included Omaha, Denver, Salt Lake City, Los Angeles, San Francisco, Portland, Tacoma, Seattle, Spokane, Glacier Park, Minneapolis, and Saint Paul. The party was headed by Homer L. Ferguson, President of the National Chamber and President of the Newport News Dry Dock and Shipbuilding Company. The findings of the members of the Board should prove extremely valuable commentary to the country at large.

Proposed—a Road Policy

THE Seventh Annual Meeting, at St. Louis, on behalf of the Chamber of Commerce of the United States, made recommendations of policy to Congress respecting National Highways, an increasingly important phase of this nation's economic responsibility. It advised:

1. That an independent Federal Highway Commission be appointed, membership being from all sections of the country.
2. That substantial appropriations be made for construction and maintenance of a National Highway System.
3. That a commission report to Congress a plan for continuing aid to state highway construction subsequent to 1921 when the existing federal-aid laws expire.
4. That funds be expended only for highways of permanent type adequate to future needs.

Certainly it appears that the next step in complete realization of this country's vast economic potentiality must be a national system of highways to supplement the present system of federal aid to states, and the ramifications of the highway problem demand the entire attention of a special federal agency. In Europe improved highways have given greater economic strength to resources not comparable to our own.

The résumé of the present situation by the National Chamber's Committee on Highways, in a bulletin just issued, accords special recognition to the work of the Department of Agriculture in administering the present federal law for aid to the states, but cited Bill S. 1309, first introduced in February, 1919, by Senator Townsend of Michigan, chairman of the Senate Committee on Post Offices and Post Roads, as representing the most advanced development of Congressional legislation toward a national highway system and the creation of a Federal Highway Commission.

Another Move at the Capital

THE National Chamber has moved its Washington headquarters from the Riggs Building to the Mills Building, 17th and Pennsylvania Ave., where it now occupies the upper four floors, with the intention of subletting the lower floors of the building. These quarters will be occupied until the erection of the new Chamber of Commerce Building referred to elsewhere in this issue.

Sending Back the Plus

SUMS approximating \$10,000 have been ordered refunded to Indiana and Indianapolis manufacturers who were subscribers to the Indianapolis Chamber of Commerce War

The Only Box Manufacturer Equipped With a Complete, Scientific Box Testing Laboratory

We make these types of boxes

Solid Fiber
Corrugated Fiber
Wire Bound
Hinge Corner
Wooden, made up
and knocked down

THE Chicago Mill Box Testing Apparatus simulates all hazards of transportation. Tests tell us how to build boxes which will render the greatest shipping service satisfaction.

Boxes loaded as in transportation are subjected to all tests. Revealed weaknesses are strengthened. The box construction is balanced for universal strength and will carry its contents safely to destination, promoting customer good-will and saving time and expense.

Manufacturers seeking the most economical

shipping box for their product are invited to avail themselves of our box testing records or to arrange to witness tests with a view to improving their shipping departments.

Consult us in your shipping plans. Let us co-operate in the economical conduct of your shipping department.

CHICAGO MILL AND LUMBER COMPANY

Box Makers

2063 Conway Bldg., 111 W. Washington St.
Chicago, Illinois



The Revolving Drum Test

is made to determine the ability of a box to withstand rough handling. Boxes to be tested are packed with the actual contents for which they are made, and placed in the revolving drum, which revolves slowly and has hazards so arranged that the boxes fall in every possible position on sides, top, bottom, ends, edges, corners, and upon projections representing the corners of another box. Any one of the numerous weaknesses of packing box construction may be eliminated or strengthened so that a box with balanced construction may be designed.

Contract Bureau, which obtained directly for Indiana manufacturers more than \$15,000,000 in war contracts. Manufacturers agreed to pay the Bureau one per cent of all business obtained up to \$250,000, three-quarters of one per cent on all business from that figure up to \$500,000 and one-half of one per cent on all business above \$500,000. The refund ordered by the directors was 18¾ per cent of the total amount paid in fees by the manufacturers. The report shows that the bureau was able to get business for Indiana manufacturers on a basis of seven-tenths of one per cent of the gross amounts of business obtained for each concern. The smallest rebate was 56 cents and the largest, \$2,000.

Less Bad Feeling Here

THE field for international arbitration of commercial disputes in which American business men may become involved has been extended by the formal ratification of the arbitration agreement between the Chamber of Commerce of the United States and the Camara de Comercio y Agricultura of Guayaquil, Ecuador. The agreement is practically identical with those effected with nationally representative commercial organizations in Argentina and Uruguay. A similar agreement between the Chamber of Commerce of the United States and the Associacao Commercial of Rio de Janeiro has been given provisional approval and formal ratification will soon be effected. An arbitration system is thus provided, or soon to be provided for four South American trade fields, and inquiries from other Latin American countries indicate further extension of the system.

Speaking of Government Ownership

THE Board of Directors of the United States Chamber of Commerce issued a formal statement on August 9 relative to the plan submitted for government ownership of railroads as follows:

"The demands of the railway labor organizations create a situation which calls for the most serious attention and deepest thought of all citizens. These demands raise vital questions which affect directly every phase of life throughout the United States. They constitute a definite program for government ownership and this despite the fact that government ownership has proved to be disastrous wherever it has been applied.

"Any proposal for government ownership of railroads, whatever the provision for operation, raises questions which every citizen must eventually consider for himself. To increase the present public debt from thirty billion dollars to fifty billion dollars in order to acquire the roads would severely strain the credit of the nation and depress the value of the Liberty and Victory bonds held by millions of people. The public as a whole through the government would be asked to assume the burden and financial risks of railway capital, while the roads would be run by and for the managers and employees. The suggestion of possible reduction of costs of transportation and betterment of service under such a system is purely theoretical and has not been established in practice by the government operation of the railroads. On the contrary, in this country, as elsewhere, the very opposite results have been shown.

"Government ownership means a retarded development of the railroads. Because of the war the country is sadly behindhand in railroad construction. Additional facilities must be added at once and enormous railway extension must be made during the next few years to meet the actual demands of our coun-

try's growth. This calls for the highest type of individual initiative and enterprise. Politics must be kept out of the railroad business. To make the railroads public property and those who operate them government employees is to throw the railroads into the arena of party politics. In such an event there would be serious danger of autocratic control of the government by government employees.

"The overwhelming trend of public sentiment throughout the United States is opposed to government ownership of the railroads. The organizations constituting the membership of the Chamber of Commerce of the United States, scattered throughout all sections of our country, have just declared with practical unanimity in favor of adhering to the policy of corporate ownership and operation of the railroads under a comprehensive system of government regulation and with the return of the roads to their owners as soon as adequate legislation, such as the National Chamber asks, can be enacted.

"The Chamber of Commerce of the United States believes in the maintenance of that most vital principle of our American institutions—private initiative.

"At its recent annual meeting in St. Louis it declared it to be essential that our government should scrupulously refrain from entering upon any of the fields of transportation, industry, commerce, or any phase of business that can be successfully undertaken and conducted by private enterprise.

"The concrete and actual question that confronts the country now is: Shall we depart from these fundamental principles?

"Government ownership would monopolize and deaden, rather than democratize and revive, railroad transportation. It would paralyze a great industry whose vigorous development is essential to the happiness and prosperity of all our people."

Right on Piccadilly!

THE American Club on Piccadilly, London, was declared formally opened by the American Ambassador on Monday, July 14th. Mr. Francis Powell, of the Anglo-American Oil Company, one of the Vice Presidents, presided in absence of the President, Mr. Henry E. Stoner, and Mr. Wilson Cross, of the Vacuum Oil Company, replied on behalf of the Board of Governors to Lord Reading's speech. Practically all the officials and directors of the American Chamber of Commerce are represented on the Board of Governors or in other official capacity in the new American club. Though membership is limited to American citizens, provision is made, as in the Chamber, for associate members of other nationality. The American Club should be a permanent force in promoting friendship between the two countries.

Helping France Rebuild

REPRESENTATIVES of several American banks and business houses met recently in Paris at a session called by the American Chamber of Commerce to establish closer relations with the delegates from the devastated regions. Judge W. Berry, President of the Chamber of Commerce of Paris, proposed the appointment of a committee to study factory problems, to aid in building villages and to assist the French government in hastening reconstruction work.

Pittsburgh Prepares

THERE has been formed by the Pittsburgh Chamber of Commerce a Bureau of Foreign and Domestic Commerce which is now

prepared to handle French, Spanish, Italian, Portuguese and code translations. This service is free to members and will be treated as confidential.

Who Said It Couldn't Be Done?

A LABOR bureau has been formed on the Tampa (Fla.) Board of Trade with a membership of fourteen delegates appointed from local labor unions. The bureau elects its own officers and is operated as an organization within the Board of Trade. The Board of Trade reports that the bureau has aided materially in solving the labor problems of the city.

A Local "Exposition"

THE Chamber of Commerce of Peabody (Mass.) has arranged for a week's exhibit of local products to educate the citizens on the diversified industries in that community. The exhibit is to be made in 40 store windows on the business streets.

A School for Business Men

ABOUT forty members of the Bridgeport, Conn., Chamber of Commerce, including manufacturing executives, have formed themselves into a study group for a six months' course in foreign trade practice under competent direction. The course of study includes world markets, export policies, foreign and domestic trade laws, foreign exchange and related subjects.

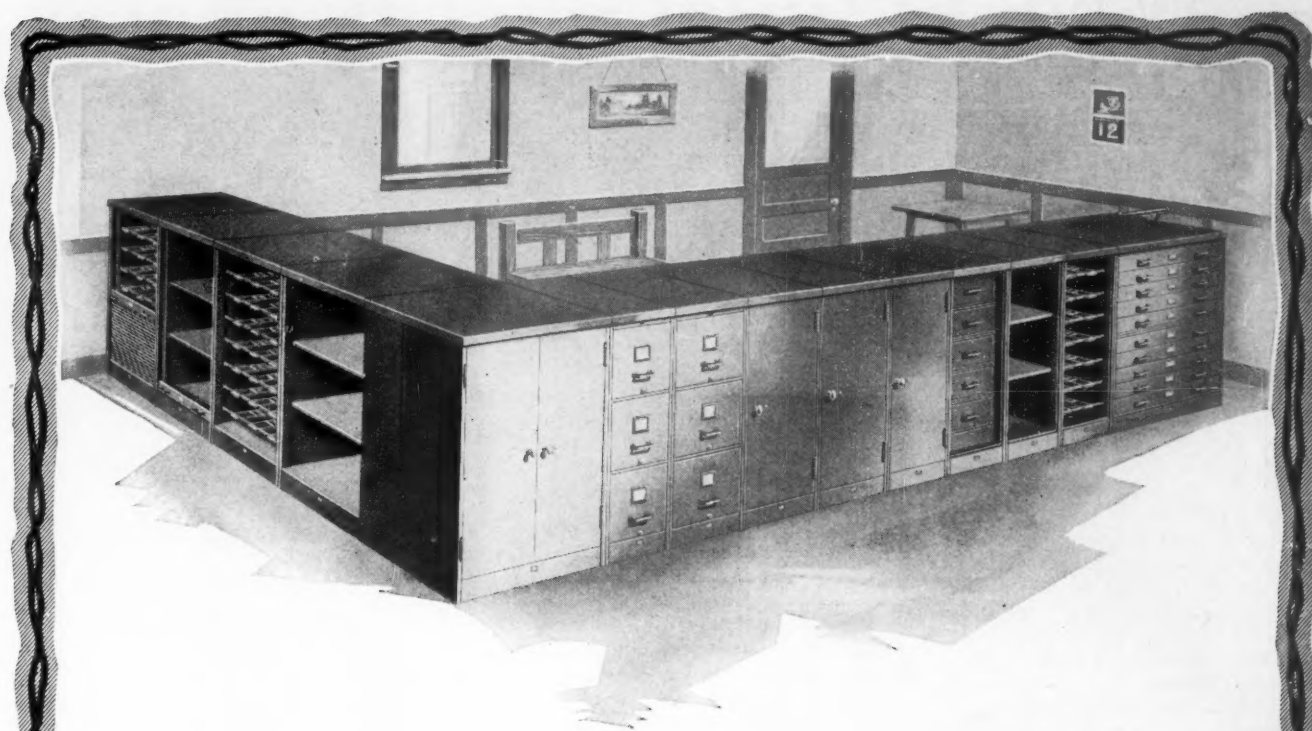
Selling a Community to Itself

IN a recent paper on "Effective Community Advertising" presented before the Annual Meeting of the Wisconsin Association of Commercial Secretaries, Mr. Don E. Mowry, General Secretary of the Association of Commerce, Madison, Wisconsin, discussed with both vision and acumen the upbuilding of a live community. He described a successful selling campaign as first vitally energizing the community itself and then reaping for it the rewards of attracted enterprise. He analyzed the spirit making communities great, comprehensively scanned publicity, and stressed these valuable words:

"The organization that does not sell itself through the medium of truthful publicity is merely marking time."

Organization Meetings

- National Association of Commercial Organizations, Indianapolis, October 27 to 29.
- Hammermill Bond Agents, Erie, Pa., August 28 and 29.
- Commercial Telegraphers' Union of America, Chicago, August 25.
- National Swine Show, Des Moines, September 29 to October 4.
- American Chemical Society, Philadelphia, September 2 to 6.
- Traveling Engineers' Association, Chicago, September 16 to 19.
- Associated Advertising Clubs of the World, New Orleans, September 21 to 25.
- Fashion Art League of America, Chicago, September 15 to 19.
- Technical Association of Pulp and Paper Industry, Chicago, September 24 to 27.
- Illinois Bankers' Association, La Salle, Ill., September 4 and 5.
- State Federation of Labor, Greenville, Mass., September 8 to 11.
- American Astronomical Society, Ann Arbor, Mich., September 2 to 5.
- Bricklayers, Masons and Plasterers' State Conference, Flint, Mich., September 3.
- International Farm Congress and Soil Products Exposition, Kansas City, Mo., September 24 to October 4.
- United Typothetae and Franklin Clubs of America, New York, September 15 to 17.
- American Foundrymen's Association, Philadelphia, September 29 to October 4.



Build Your Own Counters With GF Counter Height Files

NEARLY every business has many "over-the-counter" transactions in the course of the day's work. Why not utilize this point of contact between your business and your customers to the fullest extent?

With *GF Allsteel* Counter Height Sections, you can arrange your own counters to suit your space. The sections are filing cabinets, too, so that your assistants have always at hand the reference books, maps, data files, contract records, etc., which they need to serve customers promptly.

The *GF Allsteel* Sections are handsomely finished in olive green, mahogany or oak, with bronze-bound, green linoleum tops; and you can get practically all forms of filing space that your business needs, in stock sections.

Tell us the dimensions of your available space, and what kind of files would serve you best. We'll be glad to advise you and quote prices.

THE GENERAL FIREPROOFING CO.



STEEL FILING EQUIPMENT—SAFES
OFFICE FURNITURE—SHELVING
YOUNGSTOWN, OHIO.



NEW YORK — BOSTON — CHICAGO — WASHINGTON — ATLANTA — SEATTLE

What's What in England

Before launching a campaign for business in Great Britain the American exporter might study this concise chart of courses that are safe and those that are otherwise

By PHILIP B. KENNEDY

Director, Bureau of Foreign and Domestic Commerce

THE principal characteristics of European industrial and commercial conditions since the signing of the armistice has been uncertainty. Business men accordingly have had to drift along doing what they could without making sanguine commitments for the future. This waiting attitude is expressed in many ways.

The head of one of the leading London department stores told me in March that very little buying has been done by the retail stores since the armistice, partly because heavy stocks had been carried at that time and partly because prices were expected to drop.

Certain manufacturers said that they could not safely go ahead along normal lines until it was known what the Government was going to do with its large accumulated stocks of material and supplies.

Some of the large munition plants expect to go in extensively for the manufacture of railway materials but must wait to know what the Government is going to do with the railroads.

Until a settled railroad policy is adopted the railroads will only buy "from hand to mouth."

Larger stocks of raw materials and a more definite foreign demand are necessary before the great cotton industry can return to anything like a normal output. At the time of the armistice only about 50 per cent of the normal policy of raw cotton was coming in.

European countries must be prepared to buy construction materials and machinery before British plants in these lines will feel prepared to go ahead in an energetic way.

The building trades are waiting for the starting of the Government housing scheme and the inauguration of other expected important public works.

In the meantime the British Government is faced with the necessity of putting the nation back, if possible, onto a self-supporting basis. The great excess of imports over exports, which means steadily increasing debt, can not be permitted to go on in peace time.

Present restrictions are largely influenced by the Treasury. Work has had to be found for more than three million demobilized soldiers and many thousands of released munition workers. The import restrictions were continued to assist British industry pending the resumption of foreign trade.

Manufacturers had made it very clear to the Government that unless this temporary protection was given they could not be expected to find work for the large numbers of unemployed. Conditions in Great Britain are similar to after-war conditions in the United States except that they are more serious in degree. In France, Italy, and other European countries the financial and labor problems are even more serious. The machinery of industry and trade must be adjusted before normal production can be restored.

Anxious to Let Go

BBRITISH business men have been very restive under government control—more so, it is said, than business men in the United States. The British Government now fully recognizes the temper of the situation and is anxious to take its hands off trade just as quickly as possible. The impatience for resumption of normal conditions is so great that steady changes in the right direction do not make as much impression as might be expected.

Import and export restrictions have been greatly modified in Great Britain. The peg has been taken out of American exchange. Serious labor difficulties have been adjusted. The peace treaty promises to satisfy general opinion. So far, so good. Nevertheless, the transition period, with all its uncertainty and anxiety as to the future, has not yet passed.

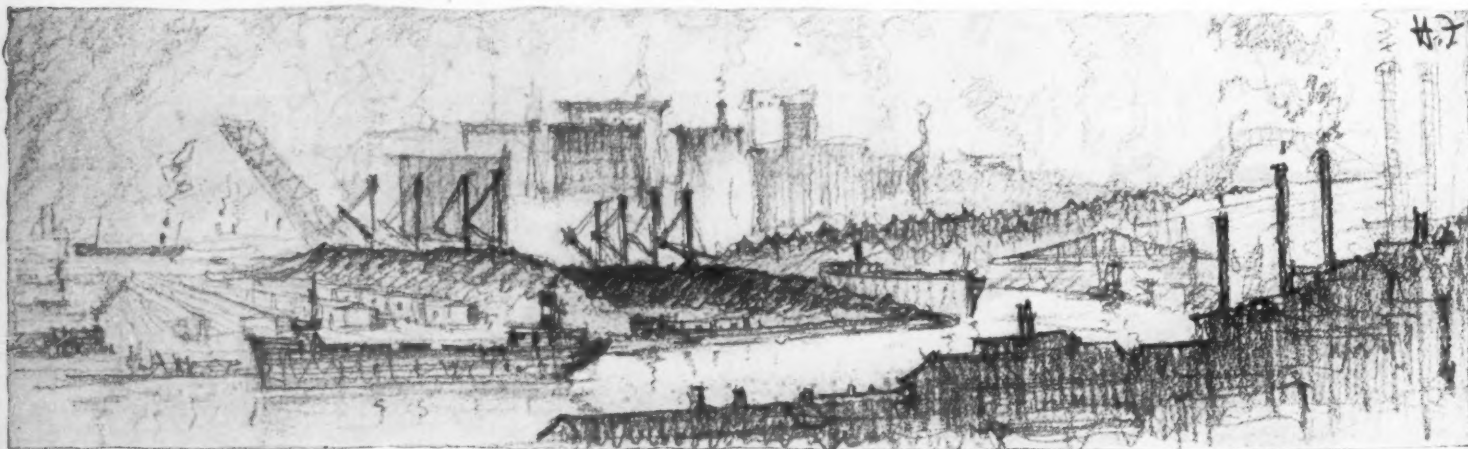
General conditions are complicated by a large amount of social unrest. The people generally are surfeited with abnormal conditions and are impatient. The cost of living has about doubled since 1913. Premier Lloyd George promised the British people "a new heaven and a new earth" following a victorious peace. Both the common people of Great Britain and our other European as-

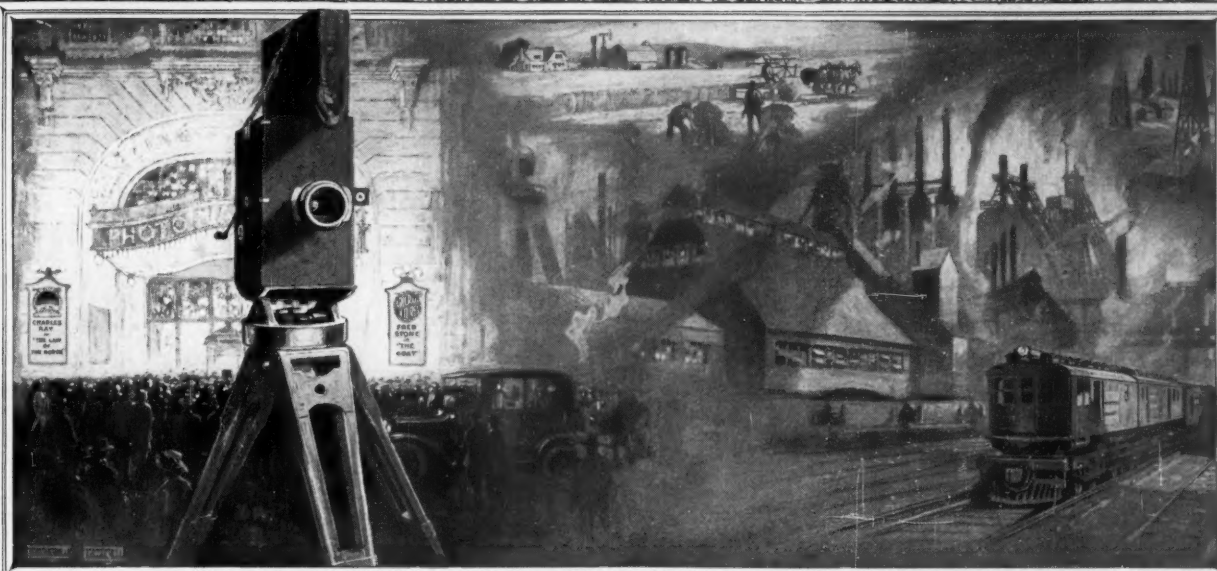
sociates have borne a heavy burden during the war and feel that they can not wait for the realization of the fuller life that they have anticipated. It is hard from this side of the Atlantic to realize the tenseness of the European situation. Prominent officials and business men in Great Britain feel that an adjustment can be obtained but that a difficult period is ahead. On the continent of Europe it will take the most tactful handling to steady the position and enable national industries to revive.

It is a time when Europe needs help. The United States must cooperate in a broad-minded and courageous manner. Any complacent feeling on our part that European conditions will gradually adjust themselves if left alone is unwise and unsafe. American commerce and finance are today so interwoven with Europe that any calamity there would be greatly to our detriment. The better conditions of peace we must win together with our European associates.

A constructive policy is a long-time policy. Conditions are today abnormal. The first step is to start restoring fundamental machinery and so relieve the uncertainty. The world needs production. There is room for all. Unless we squarely face the situation and set about remedying fundamental difficulties, our export trade will have to depend upon false confidence and forced enthusiasm. A shortsighted and narrow policy is a poor investment in the light of present-day circumstances. The problem applies not only to those directly concerned with exporting; it applies as well to producers of raw materials and food, to manufacturers and workers, in fact to all who depend upon our national prosperity.

Thus far American firms engaged in European trade have not been able, as a rule, to make definite plans for the future. Partial recent relaxations of the British import restrictions have enabled a number of established lines of American goods, such as automobiles, shoes, typewriters, and numerous other articles, to hold their place in the Brit-





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Apply this thought to any particular needs that you have in mind, and then consider that the leaders of the motion picture industry—Famous Players-Lasky Corporation, stand ready to translate to the

screen the high points of your business with the same artistry in production that you are familiar with through the feature photoplays bearing the Paramount trade-mark.

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ADOLPH ZUKOR Pres. JESSE L. LASKY Vice Pres. CECIL B. DE MILLE Director General
NEW YORK



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Dept. D

New York City

Truckload—Carload

From factory and farm, from warehouse and mill, myriad motor trucks start a stream of merchandise on a road that stretches half way around the world.

Swiftly this stream moves toward the great distribution centers.

Truckloads become carloads—cars become trains, that at the great classification yards are dismembered and reassembled into new trains.

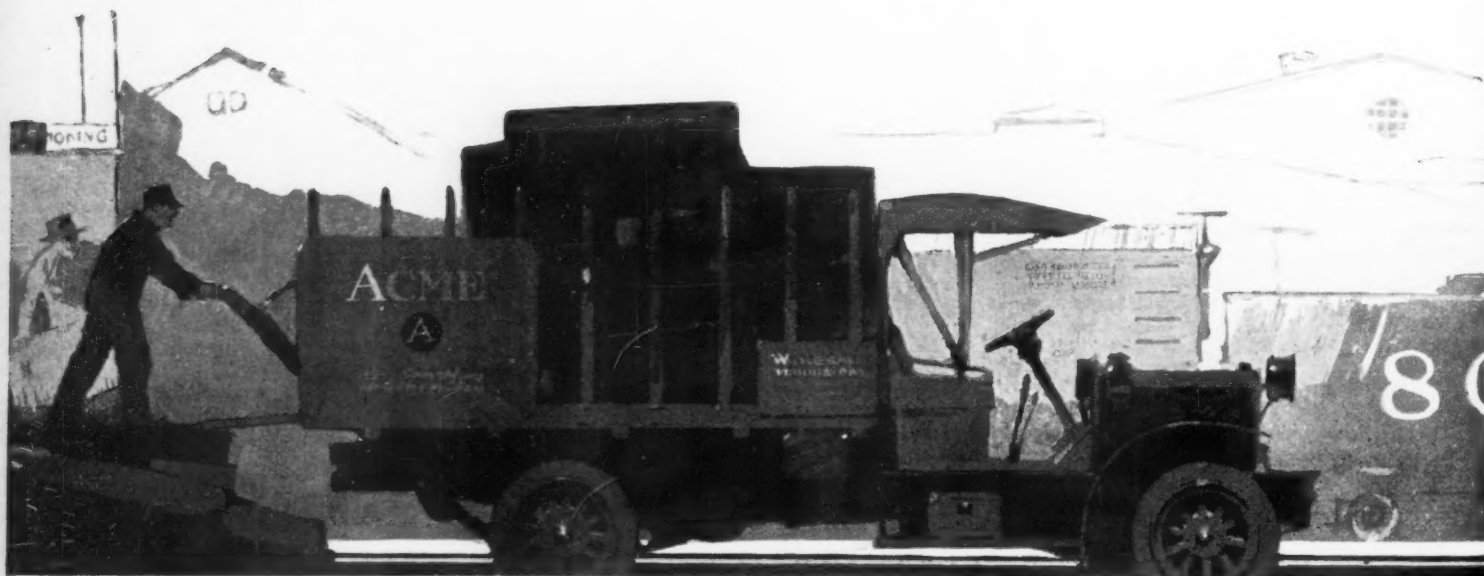
Into the holds of great ships go the contents of many cars and of trucks almost beyond count.

It's a movement that is measured in miles and pounds and days and dollars, that involves various units and is filled with technicalities, but that can be calculated and recorded in one way and only one—through the medium of figures.

Gasoline, tires, driver and oil for the

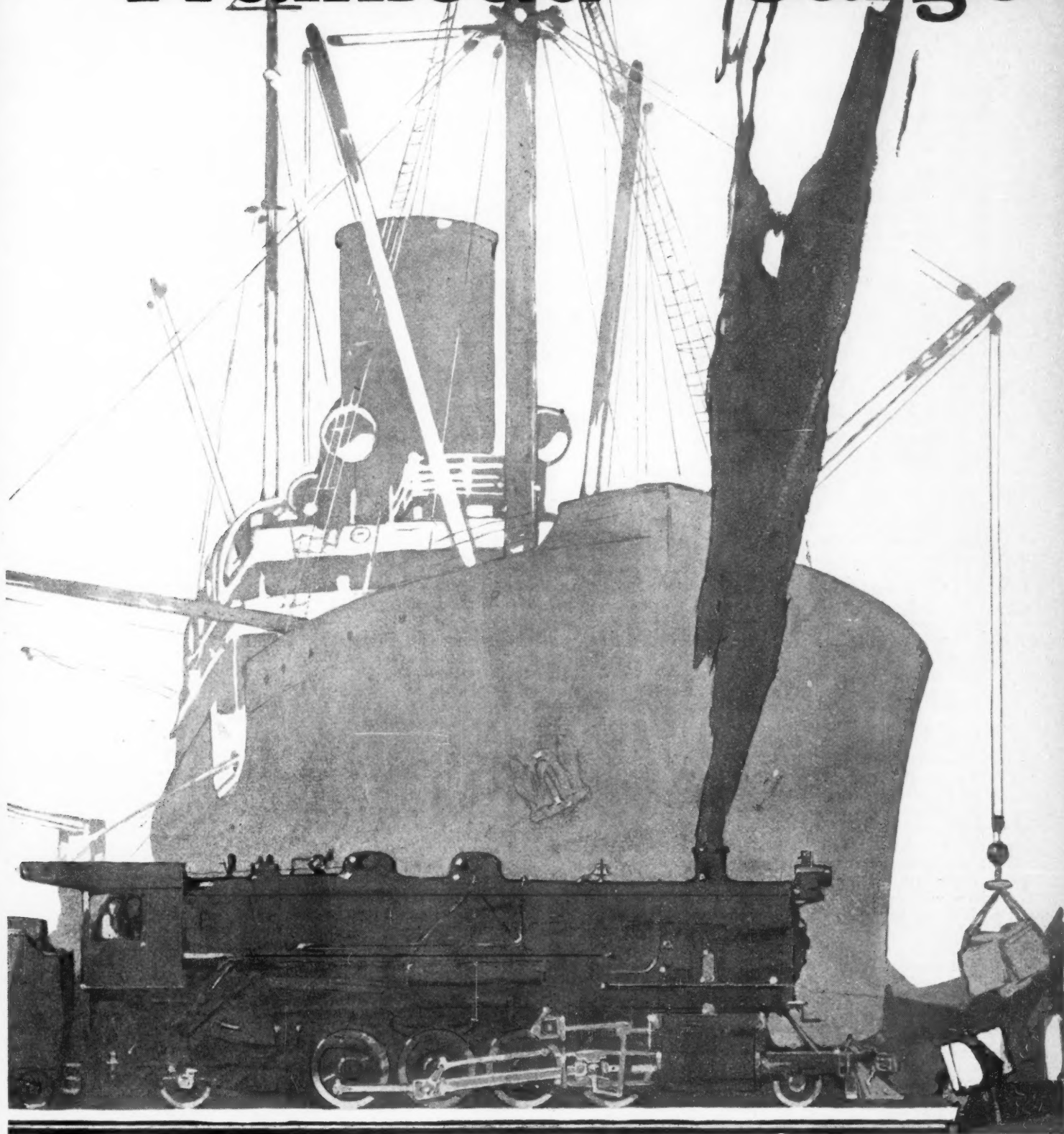
truckman—freight bill, demurrage and switching charges for buyer and seller—countless facts in the business of railroad and shipping company—all must be translated into the everyday language of figures.

In every branch of this complex industry Burroughs Machines are to be found doing monotonous figure work—adding, subtracting, multiplying, dividing, checking, aiding in estimates, reports and analyses, keeping books of great railroads and lusty young haulage companies, doing an endless number of big and little tasks and bringing to all of them the same saving of time and trouble and the same increase in accuracy.



Adding—Bookkeeping—Calculating Machines
Burroughs

—Trainload—Cargo



Adding—Bookkeeping—Calculating Machines
Burroughs

ish market. Since many of these American firms have had local organizations to keep up, these relaxations have tided them over a period when their established good will and connections would otherwise have been endangered. The relaxing of certain restrictions in France and Belgium has also tended to make the immediate outlook less dark.

Spade Work for the Future

IT is nevertheless very difficult at present to fix on a permanent policy. If long-continued restrictions or protective tariffs should follow, a number of leading American manufacturers would be prepared to establish factories abroad. There will undoubtedly be a certain measure of protection in Great Britain and other European countries, but whether this will be high enough to justify an expensive outlay for new factories is hard to tell. It is also impossible at present to foretell the advantages of having subsidiary corporations in European countries. The question of double taxation, which is very important, has not yet been definitely cleared up.

There has been a great increase in the spirit of nationalism as a result of the war. Each country appears to wish to hold as much of its business as possible for its own firms. This sentiment makes it hard for American firms to obtain contracts. When conditions become somewhat more settled it will be easier for American firms to make definite arrangements with local firms for cooperation in important construction work in European countries which will have to be done sooner or later.

In spite of the prevailing uncertainty, British firms are making exceptional efforts to prepare the way for an effective resumption of foreign trade. Many financial and industrial combinations have been formed looking especially to foreign competition. A prominent editor from our Middle West, when visiting London recently, said that the British were as interested in foreign trade as we in the United States were in crops. The intensity of the British effort for foreign trade is the result of their peculiar position. It is, however, no time for American firms with interests in the foreign field to wait until adjustments have taken place.

The present situation is one where American firms will have to do spade work for the future. Ultimately a large volume of foreign business will inevitably result. During the transition period trade lines are unformed. Out of this flux will come new trade conditions dissimilar to those of the pre-war period. The question is whether American firms will be willing to do the necessary spade work. Opinions are largely a matter of emphasis.

There is nothing particularly new in what I propose to recommend, but the following suggestions are the direct results of my own experience. They have been tested by many talks with prominent American business men who have recently been observing conditions in Europe.

There is need for a more accurate knowledge of European conditions. It is time that there is a tremendous amount of material to be read on Europe. The factors, however, are so complex and changes occur so rapidly that accurate knowledge of special situations is not easily obtained. Most American business representatives abroad have not written fully and frankly to their firms in America for fear of the censorship, whether such apprehension was justified or not. It has also been the frequent testimony of influential

American bankers and business men who have recently visited Europe that they had not been able properly to visualize conditions from this side. It is necessary today to depend very largely upon opinions because of future uncertainty. Half-baked opinions should be distrusted. Even the experienced observer should practice humility.

American firms, wherever possible, should send one of their executives to Europe to obtain a point of view that will make possible the formulation of a long-time constructive policy. When such men return their views should not be discounted.

Constructive alliances and connections should be made by American firms with firms in allied countries. This presupposes a certain measure of international confidence and cooperation. The personal factor, always supremely important in foreign trade, is today more so than ever. Good feeling must go beyond after-dinner speeches; it must take effect in permanent honorable business dealings.

A Hint to the Exporter

BEWARE of the fly-by-night exporter. A great deal of harm has been done to our export trade during the war by inexperienced and sharp dealers. The manufacturers should try to study his export problem through, before working quick sales. His reputation may be worth something to him.

American merchandise should be delivered to the ultimate foreign consumer with the narrowest reasonable profit and the maximum of service. This requirement necessitates special study and a willingness to build for the future. It is, however, the foundation of solid success.

Europe needs credits. The soundest method is to create a permanent individual market for foreign securities in the United States. This will require a widespread campaign of education to familiarize Americans with European financial and industrial conditions. The only safe way is to build the foundation solid, because the United States must continue to be a loaning nation. It is not only a banker's problem but a national problem as well.

In conclusion it may be said that the United States is definitely committed to international relations, political, commercial, financial, and psychological. The foreign field must be a permanent career for many of our best-equipped men. Nothing but the maximum of intelligence, broadmindedness, courage, and enthusiasm will enable us to render the needed assistance in restoring normal industrial and commercial conditions abroad and thereby to safeguard our own future prosperity and security.

Gray Was Right!

(Concluded from page 14)

of its range of service and a sensible standardization. No two manufacturers have yet been able to agree as to what a tractor ought to look like. Any school boy can draw a picture of an automobile, but it would puzzle him some to represent a typical tractor. There are two wheel, three wheel, and four wheel tractors, and others with a dozen different kinds of endless tracks, and they may be animated by motors of any number of cylinders from one to eight. The operator may be placed anywhere the manufacturer thinks he will look best, in front, amidships, on the rear platform, or on the implement being used.

But the worst is over, and the natural selection of practical utility has evolved three

different practical types: the large traction engine type, a design of great power adapted to plow, threshing, and all heavy belt and road work about the farm; the smaller type, of many diverse designs, that may be used for all classes of farm work, and endless track-laying machines, both large and small, for use on soft soil, hilly land, and under all adverse conditions. These three forms will, in all probability, make up eighty per cent of the constant tractor demand. But the diversity of demand and the wide range of service precludes the possibility of any such thing as a single, ultimate tractor.

The transformation of the power plant of the farm from an animal to a mechanical basis is no small affair. There is more to it than the dollar. Thinking in terms of chemistry and man labor, the European farmer produces the greatest crop per acre of any farmer in the world. With power and machinery the American farmer produces the most per capita. Already the American people are learning the European idea of thrift and intensive cultivation. The American tractor is awakening the conservatism of the European farmer. From this interchange and combination if ideas will come a world state of agricultural efficiency—hitherto a Utopian dream.

Just as the airplane and the dirigible are the last stages in the elimination of distance, so the tractor bids fair to prove the last stage in the elimination of drudgery and want.

Hold Back!

WE have the following sensible letter from a big manufacturer of motors:

The writer feels that a move could be started from your office to reach all producers in the manufacturing lines to urge that they withhold making increase in prices of their products, or, if an increase is made, that it be only to cover a portion of increased costs.

The great trouble we are facing is principally due to the inflated condition caused by the producer increasing his prices out of all proportion to the increase of his cost. That is, if his cost has increased 5% the chances are he has decided to increase 15% on his prices to anticipate future increase costs. This causes the jobber to increase who further puts on an anticipation per cent. with an inflated value at the end.

We have held solidly to our prices without increase for two years. We do not like the principle of "grabbing all you can", and we feel that manufacturers are to blame largely for carrying on these increases, simply because it is available.

We thought an end would soon come, but we hear of more proposed increases daily, now come the machine tool builders, lathes, etc., contemplating a 12 to 15% increase. There is absolutely no excuse for this condition to continue if everyone would hold back, if it continues a burst will come because it reduces the dollar value in every instance.

Materials have had enough of the upward rise, and it is time the matter was put before every producer, placing him on his honor to work toward reductions, and not allow further increases regardless of cuts in his profits, let him take smaller profits for a while, it will save profits' taxes anyway, and will stabilize things that no other way can equal.

We are having some reductions on screw stock, also on carburetors in the face of increased basic material. This is encouraging.

Why don't you take this matter up and see if it would not be wise to at once reach all producers advising them to cut profits or do anything to hold prices against increase?



Get away on time every day with The Dictaphone's help

WHILE some executives are chained to their desks, others are clearing up their work earlier in the day and enjoying more of the outdoor season, because they have simplified their methods of doing business. The Dictaphone is certainly a big help. It speeds the mail, because it simplifies the processes of getting it out. You dictate and your secretary transcribes your dictation under ideal conditions. Both you and she get away promptly each afternoon, and are the healthier and happier for it.

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"The Shortest Route to the Mail-Chute"

Little Stories of the Nation's Business

High lights in the swiftly moving drama of American Business finding itself after the shock of peace

Overseas Trade

A CENTRAL IMPORTING AGENCY has been established by the British Board of Trade, through which in future all imports of dyestuffs into the United Kingdom must be made.

Further evidence that American locomotives are coming in for extra attention from foreign interests is shown in a dispatch from Copenhagen stating that Danish railway interests have placed an order for fifty locomotives in the United States.

New Zealand, with a population of only 1,200,000, imported in 1918 a total of \$117,934,488—almost \$100 per capita. Twenty-one per cent of these imports were from the United States.

A report issued by the Greek Government, which gives detailed figures to show the need of Greece for all classes of agricultural machinery and implements, estimates the imports of machinery necessary to supply a year's need as follows: 10,000 plows, 200,000 plowshares, 500 harrows, 200 reapers, 25 threshers, 100 presses, 500 sulphur sprayers, and 500 sulphate of copper sprayers for grape vines.

A remarkable jump in U. S. exports during June brought the total for the fiscal year 1919 to more than \$7,000,000,000, a new record. June exports are put at \$918,000,000, which exceeds the previous high record established in April, 1919, by more than \$200,000,000.

Jewelry is now admitted to Colombia and Peru by parcel post.

Consul General Alexander W. Waddell reports from Athens that the Ministry of National Economy has recently inaugurated a catalogue room for the use of local merchants and dealers and that American firms may send copies of their catalogues and trade publications for filing therein.

Exporters are advised to get a statement of the new French import sur-taxes from the Bureau of Foreign and Domestic Commerce before sending further shipments to France.

A British proclamation of June 25 prohibits the importation into the United Kingdom of scientific, mathematical and optical instruments except under Board of Trade license.

An excellent market for American-made dyes exists in Bahia consular district, Brazil, where there are cotton mills using large amounts of dyes previously supplied by Germany.

The possibility of doing business with Germany is being considered in hemp circles.

The State Department has been advised that the Mexican Government will authorize the temporary boring of oil wells provided the interested parties apply to the Department of Industry and Commerce for such permits under a formal promise that they will be subject to legislative regulations that may be enacted in the future by the Mexican Government.

The War Trade Board has advanced from September 15 to August 15 the date on and after which pig tin and all metal alloys containing tin, including tin drosses, tin oxides, solder drosses, type metals, anti-friction met-

THE importance of these paragraphs is of inverse ratio to their length. They are culled from the business news of the month, and are boiled down to the very bone to make quick and easy reading. Among them are facts that can be applied directly to the opportunities and problems of your business.

als, waste metals, and other metals containing tin may be imported from points other than points of origin and without reference to date of shipment.

The Society for Values of Iron and Steel in Schaffhausen, Switzerland, has established in Zurich a metallurgical exchange for the purpose of bringing together buyers and sellers of machines of every description and of all kinds of metals used in the manufacture of machinery, and solicits the membership of foreign engineers and exporters of raw materials.

The War Trade Board announces that vegetable dyes of natural origin may be imported without individual license.

Industry

THE salmon pack of British Columbia for 1918 totaled 914,500 cases, compared with 706,000 cases in 1917. This is the largest pack in the history of the canning industry, reports consul E. A. Wakefield of Prince Rupert, B. C.

Large shoe manufacturing concerns report that their stock of lower grade shoes has been practically cleaned by foreign buyers. One Turkish buyer took 220,000 pairs in July.

The Surplus Property division of the War Department is offering for sale under sealed proposals 1,930.2 tons of black painted barbed wire, bids on which will be opened the morning of September 3 in the offices of the division chief.

In letters to Vice-President Marshall and Speaker Gillett, Secretary Daniels asserts that Government operation and control of all trans-ocean and ship-to-shore wireless stations used for commercial purposes in this country are necessary on account of present interference between stations. The Secretary also sets forth what the Navy Department regards as other cogent reasons why these important fields of radio telegraphy should be dealt with by the federal government as a natural monopoly.

The War Department has rejected as inadequate all of the bids submitted for the approximately 17,000,000 yards of cartridge cloth used by the army to incase artillery propellant charges and is developing, through its sales organization, a method for marketing the cloth at prices which more nearly approximate its commercial value.

The value of contracts awarded for building and engineering operations in the territory east of the Missouri and north of the Ohio for the first half of 1919 totaled \$989,-

904,000. After allowances for the increase in cost of construction, this represents an increase of 23 per cent over the average volume for corresponding periods of the five years preceding 1919.

Production of bituminous coal for the first half of the present calendar year is estimated at 212,581,000 tons, which is only about 75 per cent of the production for the first six months of 1918.

More than 132,000 tractors were produced in the United States last year. This year's production is estimated at 315,000.

The United States Bureau of Markets issues quarterly wool stock reports, which show the quantity of each class and grade of wool on hand in the United States and whether of domestic or of foreign origin, the amount of each held by manufacturers and dealers, also the total quantity of combing and clothing wools held by both.

Boston tanners are selling their stocks of union sole leather as fast as it comes from their tanneries. Prime cow backs have brought 90 cents and steers 84 and 85 cents.

To meet the demand for the preparation of cotton for direct shipment overseas, the Atlantic Compress Company, of Atlanta, Ga., will install a new press with high density appliances, increasing its output of high density cotton from 800 to 1,600 bales a day.

The South is showing considerable activity in both domestic and steam coals. There is much heavier buying from the Kentucky and Tennessee fields in the southern market than from the north.

Buyers for dry goods, department and specialty stores in every section of the country thronged to New York much earlier this summer than usual. Big concerns and smaller ones were represented, and there was a universal cry for goods. Price has not been a barrier to buying because of a general feeling that the demand will be greater than the supply.

Of all foreign sources of supply, Buenos Aires is now the only one in which fine wools can be purchased in any substantial quantities. There is much wool in Australia and New Zealand, but this is not being sold in the open market.

Toy factories are confronted with a real problem trying to get out orders placed months ago, to say nothing of those which come in from day to day. Shortage of skilled labor and lack of facilities to meet such an unparalleled demand for toys are chiefly responsible.

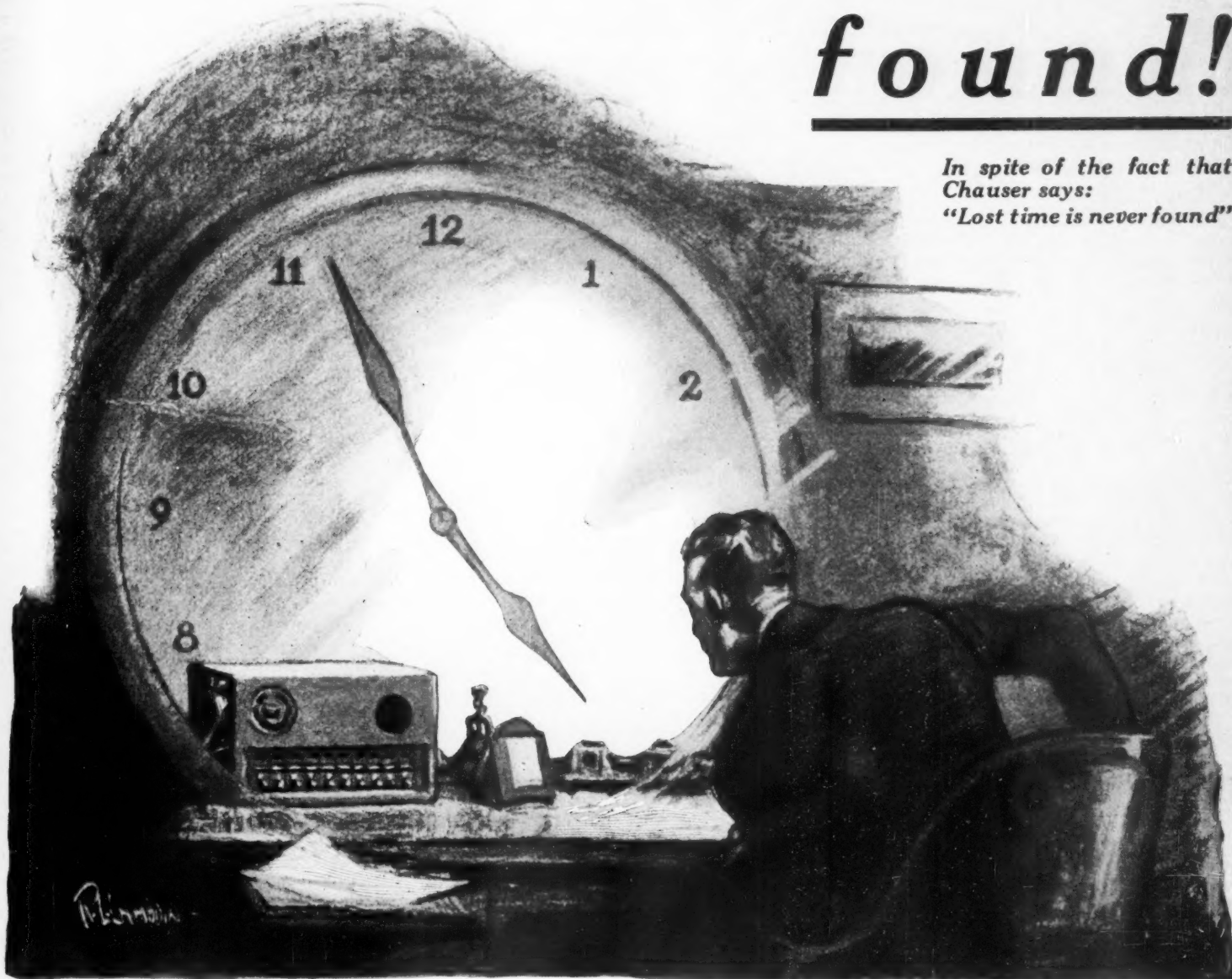
British consular authorities have been studying with interest the successful experiments made by the U. S. Department of Commerce and private interests in tanning the leather of shark, porpoise and devil fish. The shark is a serious menace in the West Indies and other British colonial possessions, and the new industry is welcomed by the British as turning a liability into an asset, announcements already made that ocean leather plants will be erected in the West Indies.

The geophone, a listening instrument invented by the French during the war for the location of sappers and enemy artillery, is

LOST TIME

found!

In spite of the fact that
Chaucer says:
"Lost time is never found"



PRESIDENT WILSON saves Daylight for the Nation's Business.

The Dictograph saves *Time* for it—

The saving of one hour of daylight stirred the whole nation. Thousands of letters and telegrams poured into Washington. These messages told how the extra hour increased production, increased labor's efficiency and added to labor's health and happiness.

The Dictograph System of Interior Telephones

the most efficient means of intercommunication known, not only doubles the value of the minutes of the extra daylight hour but of every other working hour, increasing efficiency 75%, and adding to health and happiness.

A five minute demonstration of the DICTOGRAPH on your own desk will show how it will increase your efficiency

The scientifically perfect Dictograph means that you, Mr. Executive, *while seated at your desk*, can get in *instant* touch with any man in your organization—and without calling him from *his* post.

There's no switchboard, no operator, no earpiece, no mouthpiece, no automatic numbers to turn—you just flip up a key and *talk*—in a conversational tone. The wonderful loud speaker (an exclusive Dictograph feature) carries your voice and brings back your answer as clear as a bell.

Think of the time saved in visiting from office to office.

Think of the dispatch with which a transaction can go through when you have a DICTOGRAPH Conference without calling a single man from his desk.

Think of the convenience of being able to get inside information from one or more sources through the DICTOGRAPH while a party calling from the outside is held on the wire.

And only with the DICTOGRAPH does the executive have at all times the right of way. This means no interrupting voice, no delays.

More than fifty thousand busy executives are finding that the DICTOGRAPH brings order, system, accuracy, and efficiency—are finding that it turns lost time into productive time.

For not only does the Dictograph enable the executive to keep his finger on the pulse of the entire organization but it provides complete, direct, automatic intercommunication every working hour between every Dictographed Department without the aid of switchboard or operator.

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now used by the Bureau of Mines as a possible aid in locating miners who have been entombed.

Members of a technical and mercantile commission representing the Czecho-Slovak republic are touring the United States, investigating water power, methods of flooding control, hydraulic-fill dams and methods of irrigation. The itinerary includes Niagara Falls, Dayton, Keokuk and Albany.

Millions of dollars are being expended by American manufacturers of dyestuffs to meet the expected competition of Germany, according to the American Chemical Society.

In spite of the shipments which have come from Czecho-Slovakia, New York jewelers report garnets, lapis lazuli, peridots and amethysts especially scarce.

Figures compiled by the United States Geological Survey from reports of producers show that an increase in quantity and value of marble sold for monumental work was a notable feature of the marble industry in 1918.

The Department of Agriculture has issued a summary of the newsprint situation based on information furnished by the Forest Service, which shows that unless remedies are adopted, the situation confronting newspapers is likely to become more serious each year until the press is totally dependent upon foreign supply.

An automotive laboratory for scientific research and testing in motor car development will be opened next fall at the University of Michigan.

Foreign

BECAUSE of its intimate connection with the promotion of foreign commerce, the Bureau of Foreign and Domestic Commerce has issued a report on the use of the parcel post as an aid to foreign trade, with a view to the establishment of an international parcel post system.

The British Board of Trade has decided to grant free licenses for the importation of boots and shoes from the United States to the extent of 25 per cent of the 1913 imports in addition to 25 per cent already shipped.

To further its economic independence of outside sources, Great Britain plans to increase greatly the funds available for the encouragement of agricultural enterprises during the current fiscal year. The sum of \$1,100,000 will be expended for agricultural and dairy education, \$540,000 for agricultural research, and \$75,000 for milk and cheese depots. The food production department is allotted \$10,000,000, of which nearly \$5,000,000 will be devoted to tractor plowing and \$510,000 to seeds, fertilizers, etc. Additional funds will be used for training women agricultural workers.

A new Japanese steamship line has been organized in Yokohama with a capitalization of \$50,000,000 and has announced that it will start services from New York to the Orient and points in South America.

Virtually all glass factories in Belgium now are in operation, and thirty per cent of the textile looms are busy spinning raw cotton arriving from the United States.

It is announced from London that the British-Mexican Petroleum Company has been incorporated with an initial paid-up capital of approximately \$10,000,000 and will function as a marketing company for Mexican petroleum products in the Eastern Hemisphere.

A dispatch from Paris states that ten or twelve of the most powerful steel corporations whose plants were destroyed by the Germans have decided to pool their interests into one immense undertaking. Stock in the various companies is being taken care of according to the methods followed in merging many American plants in the U. S. Steel Corporation.

A report from Nottingham, England, states that lenses designed especially for photography from the air are being manufactured in large quantities to meet the increasing demand for this article.

France will offer to take over the American military property in France, consisting mainly of docks, railways and real estate, at one-fifth of its cost to America, according to a statement by L. Morel, under-secretary of State for Liquidation of Stocks.

Italy offers a market for machinery for paper making, textiles, printing, shipyard equipment, sugar, rope making, refrigerating apparatus, wood working and machine tools.

The six main causes of industrial unrest in Great Britain, as decided upon by a joint committee of employers and employed appointed at a recent conference of London manufacturers, are suspicion, fear of unemployment, unfair division of profits and products, status in industry, extremist propaganda, and economic fallacies.

German manufacturers, after lengthy experiments, have succeeded in creating a gasoline turbine which will enable an airplane to fly virtually without noise, according to an Essen dispatch to Swiss newspapers.

The Federal Reserve Board has obtained information to the effect that Germany increased her stock of gold during the war, but lost \$122,000,000 between January 1 and May 7 of this year, due to reparations made Belgium and Roumania for gold stolen from those countries, and shipments to neutral countries to finance purchases of food.

Sweden's Foreign Office is first to appoint sociological attachés for its embassies and ministers, according to a recent diplomatic survey. Their duties will be to observe social legislation, administration, conditions of labor markets and all phenomena worth noting.

The suggestion that the British West Indies be ceded to the United States in part payment of Great Britain's war debt is under consideration on both sides of the Atlantic, according to an announcement from London.

American food supplies valued at 100,000,000 francs and retailed under government control have been purchased by the Belgian Minister of Food.

The recent British Victory loan amounted to 767,800,000 pounds.

Shipping

GREAT BRITAIN is about to put into commission a superdreadnaught which has a displacement of 40,000 tons.

The United States Shipping board has decided to pro-rate 170,000 tons of Government-owned tonnage among the various shipping companies whose ships are still under requisition of the United States. Transfers are to be on a reciprocity basis. The greater part of the 170,000 tons will go to the American Hawaiian Line, the American Line, Luckenbach and W. R. Grace and Company.

The Sea Service Bureau has opened a branch office in Galveston, which will be operated as an adjunct to the Shipping Board, and which will furnish seamen and officers on request to vessels flying the American flag. This bureau was originally established to serve the Shipping Board vessels, but was subsequently broadened so as to cover all American vessels.

A bill has been introduced in Congress requiring passenger vessels more than 150 feet long entering or departing from any harbor in the United States to be equipped with wireless.

The United States Shipping Board has received a cable from its London agents announcing that a purchaser stands committed to take over 20 steamships of the Ferris type. Authority has been given to sign this contract.

Secretary Daniels has authorized the early sale of 265 modern seaplanes at public auction.

Nine lines have been resumed from the United States to Germany. Heavy tonnage will be placed on this route in the period to follow with the trade to Germany rapidly resuming its former active state.

Reductions, in some instances averaging \$2 a ton, have been made on ship rates on coal from North Atlantic ports. Because of the evident coal shortage in Europe, it is expected that the United States may be forced to establish its own coaling stations abroad.

Interest in shipping circles was manifested in the announcement by the United States Shipping Board that it would construct two 1,000 foot steamships, oil burners of 30-knots an hour speed, to carry on a four-day trans-Atlantic service. These liners will be 50 feet larger than the Leviathan, and of 55,000 tons deadweight. The purpose of their construction is to anticipate the tremendous tourist trade that it is expected will develop.

Today, for foreign trade purposes the United States merchant marine consists of 2,058 vessels of 1,000 tons or over, making 7,300,000 tons.

To place coastwise shipping on a pre-war basis is the object of the Scott bill, favorably reported by the Merchant Marine committee in the House of Representatives.

Shipments of coal continue to be heavy. Great quantities are being carried to continental Europe, and this commodity forms one of the chief cargoes at present.

Authorization by New York City of \$15,000,000 to \$20,000,000 for pier development is a big step toward caring for the vast amount of tonnage which is now flooding New York Harbor.

Tentative contracts have been made by the French government for ships to be built in a number of American shipyards at an approximate cost of \$200,000,000.

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Tycos Base Metal, Rare Metal and Radiation Pyrometers (Indicating and Recording) Fery Radiation Pyrometers.

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Mineral Oil Testing Instruments.

Aneroid & Mercurial Barometers.

Recording Barometers.

Surveying Compasses, Rain Gauges.

Anemometers and Air Meters.

Thermographs, Hand Levels.

Aviation Barometers and Inclometers.

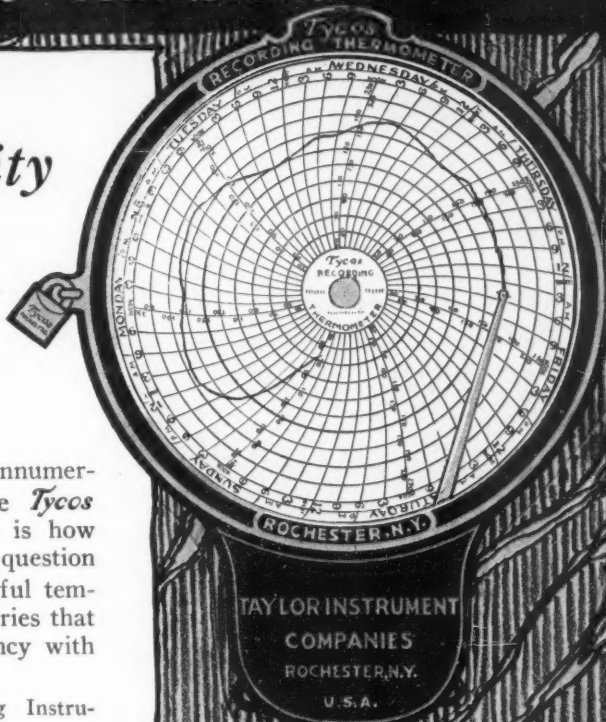
Tycos Sphygmomanometers.

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Thermometers of all kinds for home and general use.

Let us have your request, name, and useful temperature information will go forward to you at once.

Taylor Instrument Companies
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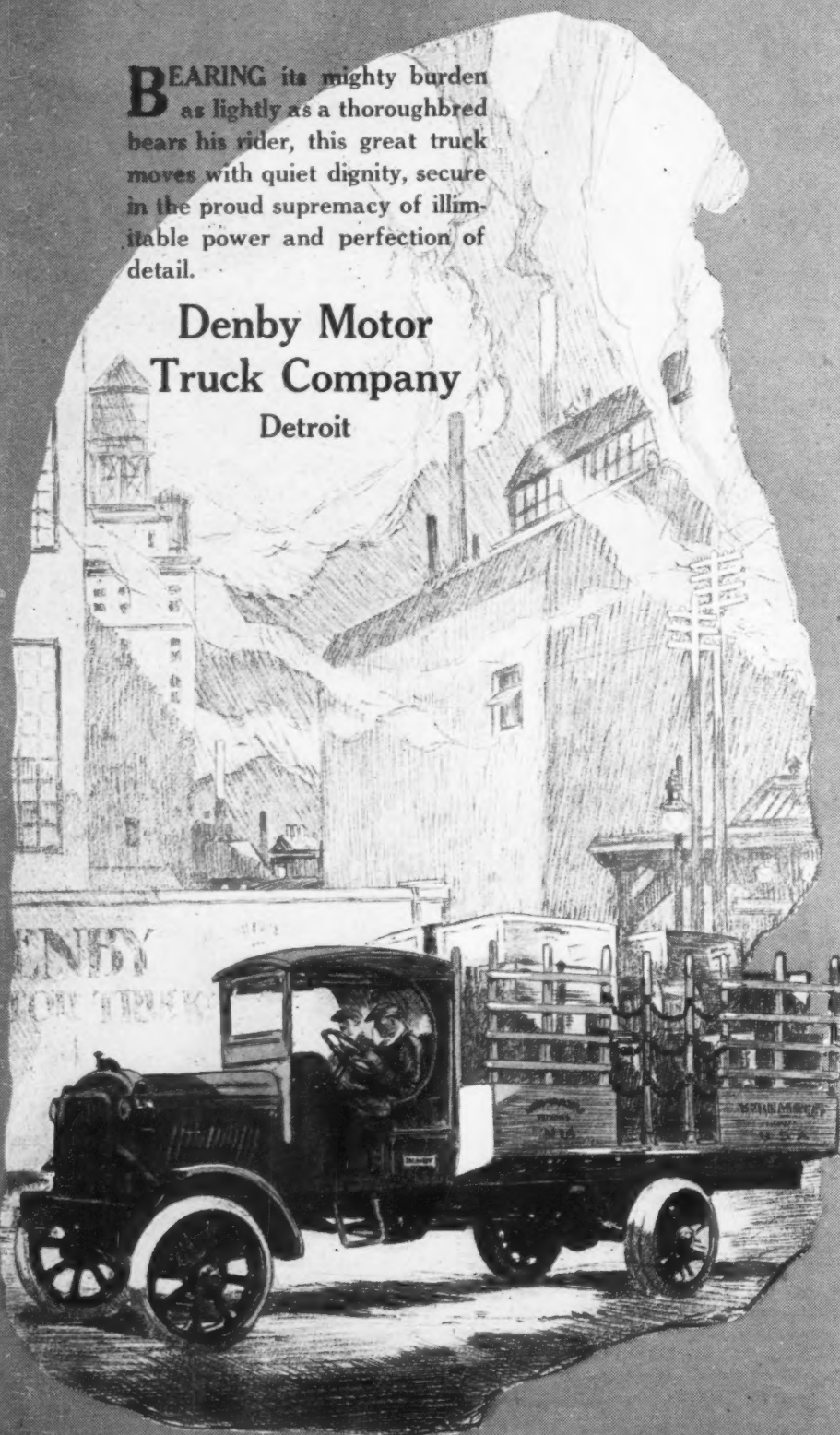
There's a *Tycos* or *Taylor* Thermometer
FOR EVERY PURPOSE

DENBY

MOTOR TRUCKS

BEARING its mighty burden as lightly as a thoroughbred bears his rider, this great truck moves with quiet dignity, secure in the proud supremacy of illimitable power and perfection of detail.

**Denby Motor
Truck Company**
Detroit



Pioneers of the Internal Gear Drive

Contracts have been placed for four ships of 10,000 to 12,000 tons each, for Grecian interests, and of a number of other large ships for Swedish and Belgian interests.

Japan is buying heavily of American steel for ship work at the present time.

Wood steamships at \$90 a ton are good value at bottom rates for immediate delivery, says the United States Shipping Board. With prevailing freight rates in overseas trade and a growing demand for cargo space for shipments to all parts of the world, the purchase and utilization of wood ships at this time might well be the first step in the establishment of shipping lines with unlimited opportunities for expansion.

The Czecho-Slovakia Steamship Company has been formed by the Zionostenska Bank of Prague with a capital of 10,000,000 francs.

In a dispatch to Secretary of Commerce Redfield, Commercial Attaché Arnold, stationed at Pekin, advises that passage for the United States from China cannot be obtained until November or December, owing to the number of persons already booked. According to one estimate, 28,000 persons are waiting to book passage for Europe alone.

The French Chamber of Deputies has adopted the bill establishing an eight hour day for the mercantile marine.

Labor

ACCORDING to the Federal Employment Service, those hardest to place are engineers and other men of technical training. This is due to a general holding up of new projects requiring the services of technical men and executives.

The superior court of Spokane has ruled that women must work seven days a week if employers pay them the \$13.20 weekly wage fixed as a minimum for the State of Washington.

The minimum wage and maximum hour commission of Arkansas has refused to abolish the six-day provision of the 54-hour law for women and to permit seven-days labor.

More than 5,000 disabled ex-service men are now in training under the direction of the federal board for vocational training. Thirty-five per cent of this number are preparing for some trade or industry.

At the annual meeting of the Wisconsin Federation of Labor in July, 2,000 farmers, members of the Society of Equity, newly affiliated with the Federation, participated in the parade.

Reports of May of activities conducted by the state and federal governments in New York state show that the employment situation is steadily improving. Since February, when the high point of unemployment was reached, the ratio of those out of work to the number of places to be filled has decreased each month.

Transportation

THE City Council of Boston has passed orders unanimously calling for public ownership of the Boston Elevated Railway company, and a referendum vote as to whether the citizens would prefer a five cent fare and pay a possible deficit in taxes.



The International Products' Creed

WE are International Time Recorders—Servants of all peoples. Our Ancestry dates back over thirty years.

We are the First of our Race, and have always been First in the Race of our Kind.

We are Well Bred and Well Built for the tasks we perform.

Our Policy is Progress—our Creed is Punctuality—our Mission is to promote the interests of every business and of every man and woman in business.

Our ceaseless Service is Equalizing the Energies and Earnings of millions of workers in all lines of endeavor—Everywhere.

Our unbiased vigilance Protects the Worker and Corrects the Shirker. It transforms Idleness into Activity. It fills the Time Schedules of Commerce with Cheerful, Willing Cooperation. It Enhances the value of Time and Decreases the Cost of Labor by Increasing Production.

Our Duties are Righteous—Our Authority is Recognized. In the true and unvarying language of the sun, we attest the Beginning and End of Effort and Achievement.

To ignore us is NEGLIGENCE. To doubt us is HERESY. To fear us is FOLLY. To trust us is WISDOM. To EMPLOY US IS SECURITY.

We are made in 260 models—either electrically-operated or spring-driven—and adapted to businesses of all kinds and all sizes. Learn in detail what we do for your service and protection. Illustrated literature will be sent promptly upon request.

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Un-retouched photograph showing part of the Yellowstone National Park fleet of 97 ten-passenger busses, mounted on truck chassis, each of which is completely equipped with Goodyear Pneumatic Cord Truck Tires

Copyright 1919, by The Goodyear Tire & Rubber Co.

GOODYEAR
AKRON

Now Yellowstone Rides and Hauls on Goodyear Cords

"We have adopted Goodyear Pneumatic Cord Truck Tires for an entire fleet of 104 motor truck units, including 97 powerful ten-passenger busses and 7 trucks used for general hauling. The prime reason for this action is that we must have as nearly absolute reliability in pneumatic tires as human ingenuity can supply. We can't use solids here for passenger-carrying or quick transfers of supplies. Our busses, mounted on motor truck chassis, must perform in this mountainland as efficiently and as exactly as any on metropolitan boulevards. Consequently we have chosen Goodyear Cords—will be using more than 450 at a time—because our experience gives them the preference for reliability and durability both."—W. M. NICHOLS, Assistant to President, Yellowstone Park Transportation Company, Yellowstone, Wyoming.

MENTION of Yellowstone should no longer bring to the mind visions of six-horse stage coaches, or of teams plodding mountain slopes ahead of rakish tourist carriages or creaking supply wagons.

The actual scene inside Gardiner Entrance at present is far different, for the 1800-head herd of fine horses has been sold, likewise the stages, and big motor busses and trucks on Goodyear Pneumatic Cord Truck Tires range the 3,348 square miles.

The period of transition since 1917 has been a period of test; it has involved a search for pneumatic tires of unusually powerful construction—for pneumatics fitted to maintain a heavy working schedule week after week without delay or even momentary embarrassment.

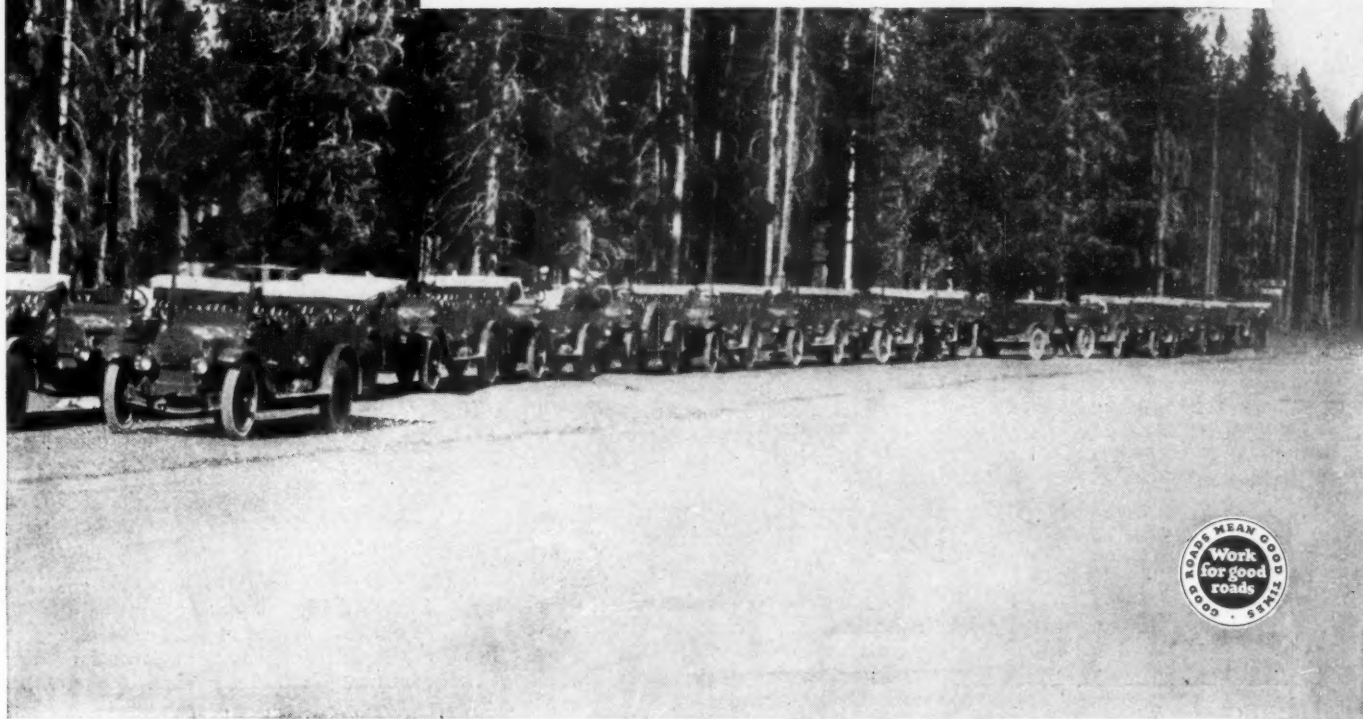
Today the outcome of the two-year investigation is noted in the placing of a

Goodyear Pneumatic Cord Truck Tire on every wheel of 104 heavy units, comprising the 97 ten-passenger busses, mounted on standard motor truck chassis, and the 7 general duty motor trucks.

With the adoption of these pneumatic truck tires, has been developed a system of swift dispatch: thousands of sight-seers are carried over great distances daily; the whole flow of a tremendous traffic is regulated with military exactness on the Goodyear Cords; and enormous amounts of time are saved, above what horses or solid-tired units might accomplish.

This, obviously one of the nation's largest highway transportation enterprises, consequently has as its foundation the reliability of Goodyear Pneumatic Cord Truck Tires just as the hauling plans of many extensive businesses now are based on the traction, cushioning, quickness and stamina of these tires.

THE GOODYEAR TIRE & RUBBER COMPANY, AKRON, OHIO



TRUCK TIRES

The Colon is the Home of Health—Keep It Clean!

By C. HOUSTON GOUDISS

Publisher, The Forecaster; Food Director, Mother's Magazine; Founder School of Modern Cookery and nationally-known Food Expert

FALL HOUSE-CLEANING is at hand. It's a hard job, at best. But consider what an impossible task it would be if the house hadn't been getting its regular daily cleaning all these months!

Long before this no one could have lived in it. The accumulated dust and dirt, which is fairly easy to down day by day, would have so clogged the quarters that they would be uninhabitable.

Your Colon is the house where your health lives. It has different "rooms" in which your daily physical welfare "lives". These "rooms" are long and narrow. So they are easily clogged. And when constipation clogs them, your health has to get along the best it can in a home that isn't fit to live in, any more than a house clogged up with dust and dirt is fit for you and your family to live in.

Nujol is the broom that will keep this "home of health" in perfect order all the time.

Nujol is the only helper that will do this without turning things topsy-turvy and upsetting all the "rooms"—just as Fall house-cleaning does.

By daily use of Nujol you can free yourself from all the disease-risk, discomfort and inefficiency that come from a clogged colon.

Nujol is not a medicine. Not the least particle of it is absorbed into the system. It is a clear, tasteless, odorless, absolutely HARMLESS softener and lubricant. A baby can take it with perfect safety. It doesn't upset the stomach or anything else. It simply keeps the home of your health CLEAN and COMFORTABLE.

It is sold only in sealed bottles bearing the Nujol trade-mark. Be sure to get the genuine. You may SUFFER from substitutes.

Booklet "Thirty Feet of Danger" free on request

Nujol Laboratories
STANDARD OIL CO. (NEW JERSEY)
50 Broadway, New York



Nujol

REG. U.S. PAT. OFF.

For Constipation

The annual report of the Southern Pacific Company and proprietary companies for the year 1918 shows that the operating revenues, operating expenses and net revenue from their railway operation during the first year of Federal control compared with the last year of private control as follows: operating revenues, 1918, \$221,611,206.21; 1917, \$193,791,489.54; increase 14.25 per cent; operating expenses 1918, \$162,722,371.84; 1917, \$120,601,822.82; increase, 43.93 per cent; net revenue from railway operations, 1918, \$58,888,834.37; 1917, \$73,369,666.72; decrease, 19.74 per cent.

Electrification of the Illinois Central and Michigan Central Railroad Companies' property in the city of Chicago will soon be brought about, it is expected, as the result of an ordinance passed by the city council.

Twelve hundred tons of railroad equipment and a large amount of TNT constitute the first consignment of materials to be utilized in constructing the Government railroad in Alaska this season.

Railroads allocated more than 70 per cent of the equipment contracted for by the Government have agreed to a plan under consideration for some time whereby the cost will be financed at a single operation by the formation of a national equipment corporation.

Statistics made public in July show that as a result of the Railroad Administration's safety campaign in the first three months of this year, 569 fewer persons were killed in railroad accidents than in the same period of 1918. The total number of accidents decreased 9,709.

Railroad earnings as reported to the Interstate Commerce Commission for the first five months of 1919 show an annual rate of only 2½ per cent net return on an investment of \$18,000,000,000, or less than half of the income fixed by the Commission as the danger line in 1914.

In answer to a Senate resolution which inquired as to the number of railroad passes issued by the Railroad Administration, Director General Hines estimated the total outstanding of all-line passes to be 3,995. Pullman passes were estimated at 1,903.

Industrial users of coal in the Cleveland, Akron and Youngstown districts will save more than \$300,000 annually by the reduction of 5 cents a ton in freight rates on coal from Ohio, Pennsylvania and West Virginia districts supplying these markets. The order issued by the Interstate Commerce commission became effective August 15.

Agriculture

CANADA is facing the problem of marketing this year's enormous wheat crop. Indications are that there will be at least 175,000,000 bushels of grain for export, which should be worth \$350,000,000. The task is to find ocean transportation.

The United States contains considerably more than one-third of all the swine in the world. Swine are less numerous than either sheep or cattle in the world at large, but are more numerous than either in the United States, which this year has more hogs than its ten nearest competitors.

Kansas this year produced 160,000,000 bushels of wheat, the heaviest yield in her history with the exception of that of 1915, when it went to 180,000,000 bushels. This year's crop in Kansas will sell for \$350,000,000.

Sumac, which grows abundantly in certain sections of the United States, may be gathered and sold profitably to tanners and dye manufacturers, announces the United States Bureau of Chemistry.

The National Forest Reservation Commission has just approved the purchase of 48,581 acres of land for National Forests in the White Mountains, Southern Appalachians and Arkansas.

More than \$500,000 lie in the treasury of Montana awaiting demands of farmers under the provisions of the state farm loan law.

Gas masks are in demand in the harvest fields of Indiana for threshing wheat infected with Australian take-all. The grain is so saturated with formaldehyde that the workers cannot stand the fumes. The wheat is shipped to the United States Grain Corporation at New York where all grain from the infected districts is held pending investigation.

The area planted to sugar beets in the United States in 1919 is the largest on record, reaching 890,400 acres, or 200,700 more than last year, and 83,800 more than the largest previous area, namely, that of 1917.

There are 510,000 acres of sugar cane this year in the United States, as compared with 527,000, the revised estimate for last year, according to reports from field agents of the Bureau of Crop Estimates.

A heavy pear crop in California and the West generally, contrasted with poor conditions in such pear states as New York, Michigan, Illinois, New Jersey and Delaware, will bring an increase of 1.3 per cent over the total production for 1918.

Construction

SIX hundred and one miles of roads completed or under way thus far in 1919 is the record of the Pennsylvania State Highway Department, breaking all previous records for highway expenditure and length of construction planned. Practically all the roads are concrete, reinforced concrete or bituminous surface, with a width of 18 feet.

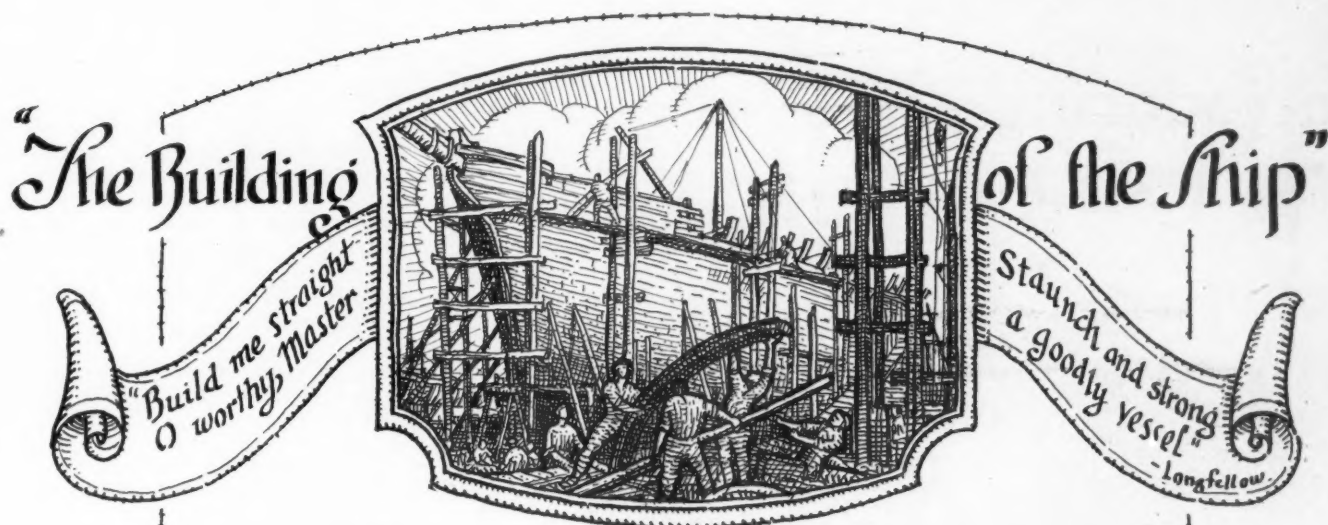
Federal aid for 1,186 highway projects covering 11,326,356 miles of road has been approved, the estimated cost of the projects being \$108,059,783.40 and the Federal aid allowed \$42,929,483.83.

Texas now has more than \$20,000,000 worth of roads under construction, it is estimated by the State highway engineers.

For the purpose of building model homes for workmen and selling them on a long time payment basis and at cost, the Chicago Housing Association has been formed by a group of Chicago's business men.

Construction has been started in Omaha on a \$1,500,000 office building, a \$500,000 hotel, and five other industrial and commercial buildings to cost about \$1,000,000.

Building permits have been granted in St. Louis for two automobile assembling plants and an administration building for the General Motors Company, to cost \$2,500,000.



THE "STRAIGHT" AIR BRAKE

· 1869 ~ 1872 ·

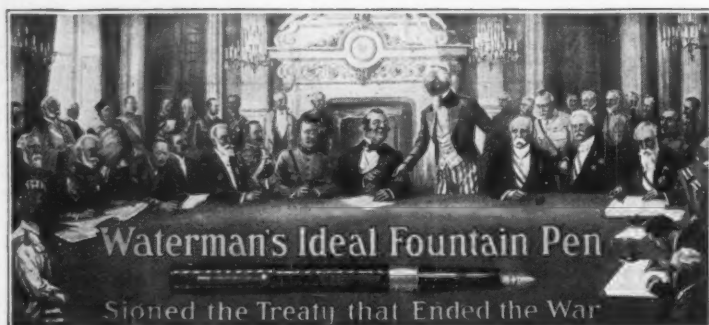
*"She starts ~ she moves ~ she seems to feel
The thrill of life along her keel"*

Longfellow's majestic poem "The Building of the Ship" has a parallel in the story of the invention and development of the air brake. George Westinghouse carefully and methodically built into the air brake those essential qualities which go to make up reliability and safety in railway transport of commerce and people. He made possible higher train speeds, greater train tonnage and increased safety of travel. These collectively have contributed in generous measure to an expanded commerce and broadened civilization. A Dan Tate, engineer of the first air-braked train on its maiden trip, upon emerging from a smoky tunnel less than a mile from his starting point, beheld a coal wagon and team stalled on the tracks ahead, only a few feet distant. He jammed on the air brake and brought the train to a stop within reaching distance of the wagon. Thus a disaster was averted. Then and there, with the very first regular train-stop ever made with an air brake, engineer Tate proved that the "worthy master" George Westinghouse, had built "straight, staunch and strong, a goodly vessel".

WESTINGHOUSE AIR-BRAKE CO.

GENERAL OFFICE AND WORKS, WILMERTON, PA.

Introducing— The Poster "Extra"



Waterman Peace Posters displayed in many instances before the signing of peace extras were out

Official Signing of Peace

—announced by Waterman "Peace" Poster in cities throughout the country BEFORE "News Extras" reach street.

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Canadian Representatives THE WADSWORTH NATHANSON CO., Toronto, Canada

The Seattle City Council has approved the proposed extension to the municipal lighting plant to cost \$1,200,000 and has approved a bond issue for that amount. Of this amount \$100,000 will be utilized in building a power plant and the remainder for machinery and electrical equipment.

New York reports show a shortage in unskilled building labor.

The Industrial Housing Company of Cleveland has been organized with a capital of \$5,000,000 to build homes for employees in industrial plants. Construction will begin upon 400 houses before fall.

Finance

EXPENDITURES of the federal government for 1919-20 may be conservatively estimated at \$7,000,000,000 or \$7,500,000,000, and total revenue, including receipts on Victory note subscriptions, at about \$7,000,000,000, according to a bulletin of the New York National Bank of Commerce.

A surplus of subsistence stocks valued at \$125,889,947 was declared by the War Department July 19. Sales of the stocks officially reported to the Director of Sales and informal verbal reports made by Zone Supply offices of sales consummated but not yet officially reported, show the sales of subsistence to date in excess of \$26,000,000.

The President of Colombia, in a message to the joint session of the two Houses, alludes to the Colombian treaty now before the Senate Foreign Relations Committee and refers to the action of the United States in removing restrictions on gold exportations. In reference to loans abroad the President stated that although steps have been taken in England and the United States, it has not been possible to arrange loans up to the present time.

The heaviest monthly output of new capital in a number of years, totaling \$370,943,300, is shown in returns indicating new financing by American railroad and industrial corporations during the month of July.

French Treasury bills in an amount not to exceed \$50,000,000 will be placed in the American market in the near future. About \$5,000,000 of the bills probably will be disposed of each week.

A credit of \$200,000,000 to Great Britain, France and Italy to be employed in financing foreign exchange on purchases of Argentine exports is to be granted by Argentina.

The \$100,000,000 loan concluded by the Belgian Government with American banks will be made through the American Government, the latter having asked that the loan be reserved for purchases made under its control, it is announced.

Semi-monthly offers of not less than \$500,000 of United States Treasury certificates of indebtedness will be made to a total of not more than \$3,500,000,000 for five months beginning August first, to enable the Treasury to meet its further temporary requirements. These certificates will be funded by short-term notes when market conditions are favorable.

Three renewals of 90-day bills granted in payment of British merchandise for export

CONSTRUCTION SERVICE *PLUS* CONSTRUCTIVE ADVICE

It is a familiar circumstance that new plants and extensions to old ones, and in fact, engineering enterprises of all kinds, are frequently found to be either inadequate to requirements or beyond them, usually because the mistake is made of going ahead without first securing the specialized advice of an organization competent to study and understand the peculiar aspects of the problem in hand, and to recommend the most adequate, practical, and therefore the most economical solution. The Thompson-Starrett Company combines constructive advice with construction service, and charges only one fee for both!

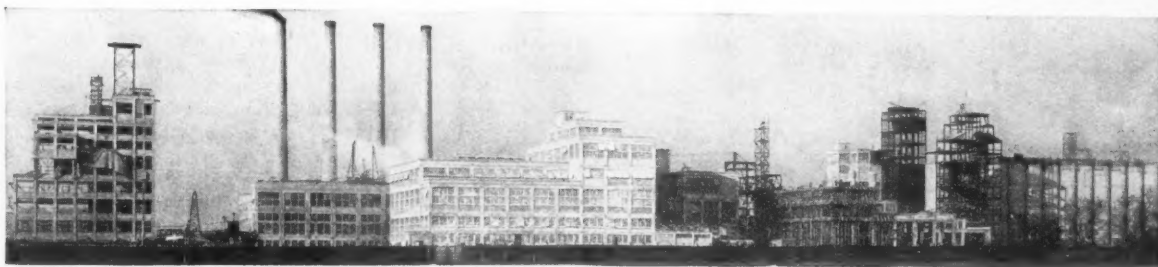
Our Advice is as Good as Our Service

THOMPSON-STARRETT COMPANY
INDUSTRIAL CONSTRUCTION

CHICAGO

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PITTSBURGH



PLANT OF THE CORN PRODUCTS MANUFACTURING COMPANY ARGO, ILL.

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WE purchase outright for cash first mortgage bond issues of established and prosperous manufacturing and mercantile corporations, whose assets and records of earnings conform to the requirements of the *Straus Plan*, in amounts of \$250,000 upward.

If you need capital for business expansion or to retire maturing obligations, write to us and we will give you a prompt answer.

S.W. STRAUS & CO.
ESTABLISHED 1862 INCORPORATED

NEW YORK **CHICAGO**
150 Broadway Straus Bldg.

Thirty-seven Years Without
Loss to Any Investor

to Italy will now be granted by the British Treasury. This is an important decision at the present time when the United States traders are offering Italian buyers special inducements to purchase American goods.

Income tax returns filed by 3,473,890 persons and a total net income of \$13,652,383,207 are shown in the final reports for 1917 completed by the Bureau of Internal Revenue.

An excess of revenue over expenditures for state governmental costs in the United States of \$22,819,714, or 22.1 cents per capita, is announced by the Bureau of Census. In 30 of the 48 states revenues exceeded expenditures, including interest and outlays for permanent improvements, by \$37,417,163, or 55.5 cents per capita; but in the remaining 18 states revenues fell below expenditures by \$14,597,449, or 40.5 cents per capita.

A net loss to the Government of \$23,000,000 in operation of the railroads is reported for the month of June.

The net cost of government amounted to \$14,949,000,000 during the fiscal year ended June 30, 1919. In addition, \$3,566,000,000 was advanced to the Allied Governments or expended in the purchase of farm loan bonds, making a total expenditure during the year of \$18,515,000,000. The total receipts for the year amounted to \$18,182,000,000, or \$333,000,000 less than the gross expenditures.

An unprecedented growth in the National Bank system, including new charters granted to 189 banks and authority to increase capital to 224, the new capital from both sources amounting to \$43,544,100 is shown for the fiscal year ended June 30 in a report submitted by the Comptroller of Currency.

During the last year the volume of Federal reserve notes in circulation increased 58 per cent, although the quantity of all circulating money rose only 11 per cent. On July 1, 1919, Federal reserve notes in circulation amounted to \$2,494,000,000, or \$23.18 per capita, whereas on the same date a year ago they were reported as \$1,711,000,000 or \$16.17 per capita. In the same period, total money in circulation rose from \$5,385,000,000 to \$5,841,000,000 or from \$50.86 to \$54.28 per capita.

A report of the condition of Federal Land Banks by the Farm Loan Board shows that nearly 3,800 farm loan associations have been organized, and that over 84,000 loans have been closed, amounting to over \$212,000,000.

The Treasury has announced a new credit of \$157,549,000 made for France, making a total of \$3,010,026,800 advanced to that country, and a total of \$9,615,400,927 to all the Allies.

According to a dispatch from Berlin, an American loan of \$100,000,000 has been obtained by M. Nordegg, representing the Deutsche Bank of Berlin. It is said that ten per cent of the loan will be deposited in foreign banks to the German bank's credit.

Government Publications

Public land decisions, Department of the Interior. Contains tables of cases reported, cases cited, overruled and modified cases, circulars and instructions cited, construed and modified and acts of Congress cited and construed.

Baling Hay (Farmers' Bulletin 1049) Department of Agriculture. Covers compresses, size of bales, operating and cost of baling.

Relation of the Shrinkage and Strength Properties of Wood to its Specific Gravity. Department of Agriculture.

Cost Keeping for Small Metal Mines. Department of the Interior. Covers the manufacture of suitable cost records, further distribution of special accounts.

Standards measuring the efficiency of Exhaust Systems in Polishing Shops. Public Health Service.

The New Science of Industrial Physiology. Public Health Service. Studies of industrial physiology.

Educational Facilities at the Air Service Army Post. War Department.

Definition of terms "blanket" or "general" licenses. War Trade Board section of Department of State.

Industrial and financial consequences of Germany's loss of Saar Basin coal mines. Department of Commerce.

Condition of Manchester textile industry. Department of Commerce.

Effect of rate of Temperature Change on the Transformations in an Alloy Steel. Department of Commerce.

Table of imports and exports by grand divisions and countries. Department of Commerce.

Analysis of foreign commerce of the United States for June, 1919. Department of Commerce.

Reports on Foreign Markets for Agricultural Products. Department of Agriculture.

Others Have Their Troubles, Too

IMPORT RESTRICTIONS in European countries show some relaxation. From time to time, upon recommendation of the Consultative Council on Imports, England announced lists of articles which may be imported freely. These lists are not always impressive, at least from the outsider's point of view. One recent list contained such items as slate pencils, ice-cream freezers that are turned by hand, door checks, safety-razor blades and fine balances, and at the same time declared that carpet-sweepers, fire extinguishers, and cutlery were not to be admitted at all.

Upon seeing such a list, the British free-traders avow loudly that their government has surrendered completely to their protectionistic fellow countrymen. Protection and free trade are consequently in a fair way to become as great political questions in England as they ever were with us. British protests are not confined to restrictions on imports; there have been numerous pot shots at the Shipping Controller, the Coal Controller, and the other officials when duties take them athwart the ordinary courses of business. British free-traders are thoroughgoing in their antagonisms.


Conservatism may appear in the relaxations, however, because England has by no means got back to her normal basis. In May the value of her imports was \$675,000,000, and the value of her exports \$320,000,000. From January to the end of May the excess value of imports was \$1,720,000,000.

On account of high prices, British exports look larger than they bulk in goods. Thus, exports in May of cloth in the piece were but 60% of the volume of such exports in May, 1918. Such figures illustrate actual conditions in the spring, although such factors as large orders with cotton mills, which will later appear in the statistics, give reason for expecting some early improvement in England's foreign trade position.

Corresponding improvement in exchange may then appear. There are outstanding promises that when the position of the pound sterling improves in New York there will be greater liberality in permitting imports. There is such an undertaking, for instance, respecting boots and shoes, which England has been "rationing," by allowing to enter only to the extent of 25% of imports in 1913. Even if the embargoes were lifted, the state of exchange would keep a brake on British imports, since exchange causes British buyers in the United States, for example, to pay a premium of six or seven per cent. for everything they purchase, and of late their premium has tended to increase.

In planning your export program consider the package

**THE GOOD
BARREL
GROUP**



Bauer Cooperage Co.
Lawrenceburg, Ind.
The Britton Cooperage Co.
Green Bay, Wis.
Chess & Wymond Co., Inc.
Louisville, Ky.
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Hardwood Package Co.
Philadelphia, Pa.
Hellmuth Cooperage Co., Chicago
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Joplin, Mo.
T. Johnson Co., Chicago, Ill.
J. R. Kelley Cooperage Co.
Kansas City, Kans.
The Kimball-Tyler Co., Baltimore
A. Knabb & Co., Marcus Hook, Pa.
A. Knabb & Co., Warren, Pa.
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Louisville, Ky.
National Cooperage & Wooden-
ware Co., Peoria, Ill.
The Ohio Cooperage Co., Cincinnati
Jos. Oker Sons Co., Cincinnati
Pekin Cooperage Co., Ambridge
Office, Ambridge, Pa.
Pioneer Coop. Co., Chicago, Ill.
M. H. Ritzwoller Cooperage Co.
Chicago, Ill.
The Rouseville Cooperage Co.
Rouseville, Pa.
H. G. Rush Coop. Co., Oil City, Pa.
St. Louis Cooperage Co., St. Louis
A. M. Welti & Bro., Cleveland, O.
Western Cooperage Co.
Portland, Ore.
J. H. Winterbotham & Sons Co.
Chicago, Ill.

EXPORTERS! Don't overlook the vital factor of proper packing. Statistics show that American exporters in the past have lost profitable business because their goods were not packaged in a way that suited the particular buyer or met the hazardous transportation conditions.

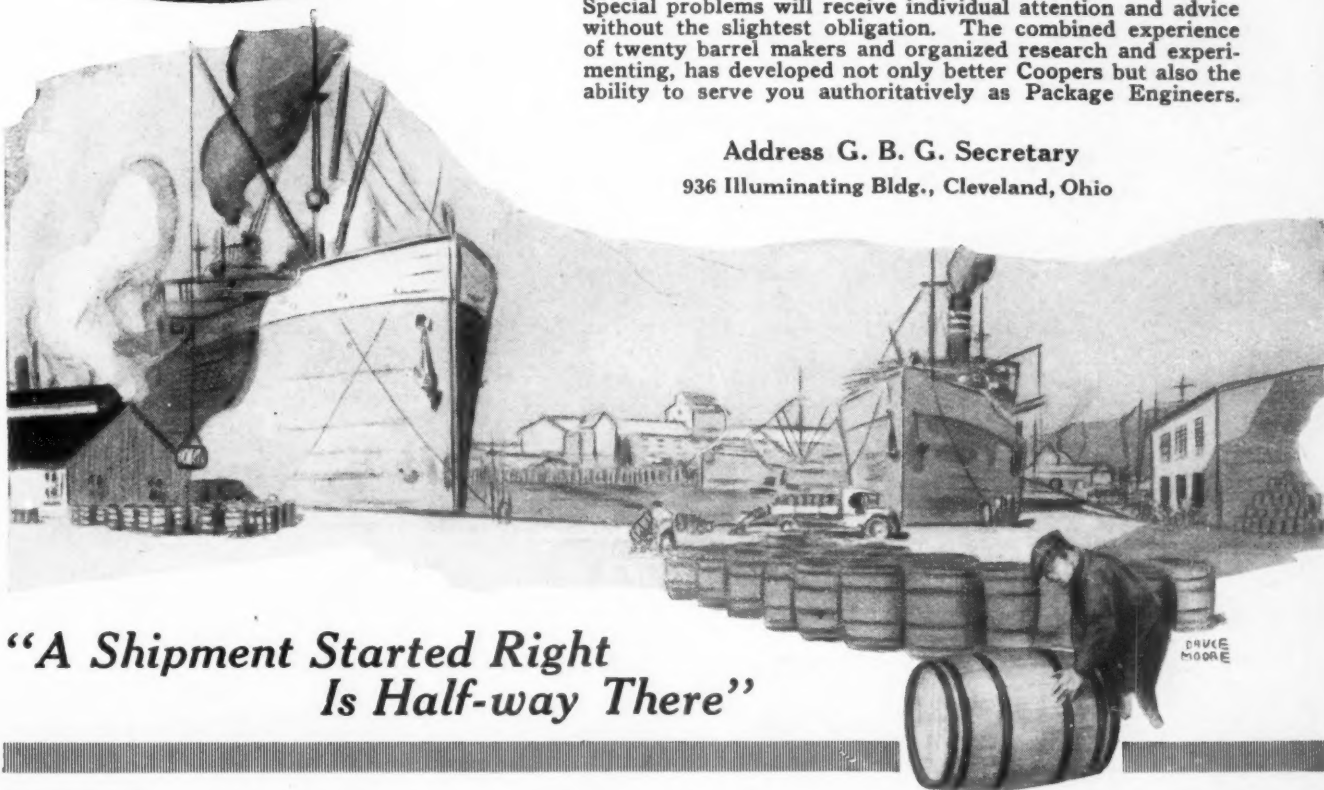
The best export container should be—

- (1) A strong but lightweight package.
- (2) A package easily handled.
- (3) A package that protects contents from fire, freezing, leakage, contamination, tampering and ordinary abuse or accident.
- (4) A package that lends itself to distinctive trade-marks or advertising.
- (5) A package that is paid for when contents are paid for to relieve the shipper from endless expense and bother.
- (6) The cheapest package that will comply with the first five requirements.

Apply these six requirements to every known container on the market and you will find just *one ideal export package for liquid and semi-liquid products—the wood barrel.*

Every shipper will find valuable and timely pointers in the barrel booklets furnished by the "Good Barrel Group." Special problems will receive individual attention and advice without the slightest obligation. The combined experience of twenty barrel makers and organized research and experimenting, has developed not only better Coopers but also the ability to serve you authoritatively as Package Engineers.

Address G. B. G. Secretary
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Is Half-way There"**

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BUILDERS



You Will Save Money

by employing us to build for you
on the basis of *cost plus a fixed fee*.

Ask the men for whom we have built
under the cost-plus contract regarding
the confidence you can place in us.

*The names of our clients and the work
we have done for them are given in our new
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Send for a copy.*

WELLS BROTHERS

Construction Co.

914 Monadnock Building, Chicago

The Farm Back of the City

By F. ROGER MILLER

*General Secretary Macon Chamber
of Commerce*

CONFLICTING opinions frequently have been expressed in the past as to how far a commercial organization should go in attempting to formulate and carry out a definite program of rural promotion. The experiences of the war, however, settled conclusively the doubts that may have existed in the ultra-conservative minds of those who opposed any step beyond the confines of the urban settlement.

Building a definite program of agricultural development for the average commercial organization is very simple on the whole, if considered from the business viewpoint. We all concede that no agricultural program is complete without these four fundamentals:

Education, production, transportation, markets. These are the four major departments upon which the structure must be built. All are equally important in the general scheme, and none is sufficient or can be carried to successful completion without the remainder.

Now, as to the first: In the South, where I live, there is a woeful deficiency in trained agricultural leaders. How can we hope to develop a constructive agricultural program and leave the cultivation of the greater part of our land in the hands of unskilled and indifferent labor, working without adequate equipment? We must convince our non-resident farm owners that agriculture is a skilled vocation, that the man who owns the land can afford to concentrate his attention thereon. We need thousands of trained farm managers, and we must have them before we can hope to approach the maximum in the development of our natural resources.

The Cure

THE only hope of the backward community is education and trained leadership.

Dr. A. M. Soule, President of the Georgia State College of Agriculture, declares that the farmers of America are losing millions upon millions of dollars annually after crops are planted because "we still do not know how to combat the diseases and insects which attack them."

Increased production is as much a responsibility of the city as it is of the country. And here again we are confronted with the lack of proper education. The tractor may offer the solution of great problems, it is capable of revolutionizing our methods of farming, but unless the farmer has a working mechanical knowledge of power machinery, the finest tractor manufactured may become a constant source of trouble and expense.

I know one man who, to my mind, typifies the business farmer of the future. He and his two sons are graduates of an agricultural school and annually take short course training to supplement their previous education and practical experience. They have four hundred acres under cultivation on a rotation system and fifty acres in woodland. Their live stock is pure bred and includes horses, mules, dairy cattle, beef cattle, hogs and sheep. Their list of farm products is a lengthy one and includes poultry, fruit, vegetables, honey, and the staples in cotton, grain and forage. Their system of farm management and bookkeeping would open the eyes of many so-called efficient business men. They have a complete equipment of power machinery and labor-saving implements, and live in greater comfort than the average city man hopes to achieve in a life time.

**When you require
World-wide Banking
for your business**



WHEN in the course of business events it becomes necessary for a business man to broaden his field of endeavor, he not infrequently finds that he must broaden his banking facilities also.

WHEN your business reaches that point, you may well consider the completeness of financial service afforded by the Bankers Trust Company, 16 Wall Street and Fifth Ave. and 42d St., New York.

BANKING DEPARTMENT

WHEN you place your business account with us you have the satisfaction of knowing that your largest business requirements can be met and your varied banking needs be satisfied to the smallest detail. As a member of the Federal Reserve System, the Bankers Trust Company offers you all of the advantages of the best commercial banks besides the advantages of complete trust company service.

FOREIGN DEPARTMENT

WHEN you become a customer of our Foreign Department you take advantage of

the best existing world-wide banking facilities

because we are co-operating with hundreds of great banks in all civilized parts of the world. You can make use of our service, for example, for

- transferring funds by telegraph or cable
- issuing travellers' credits in dollars and pounds sterling
- buying and selling foreign monies
- collecting of foreign coupons
- securing credit information and reports on trade conditions
- issuing documentary credits payable in all parts of the world
- financing imports and exports.

BOND DEPARTMENT

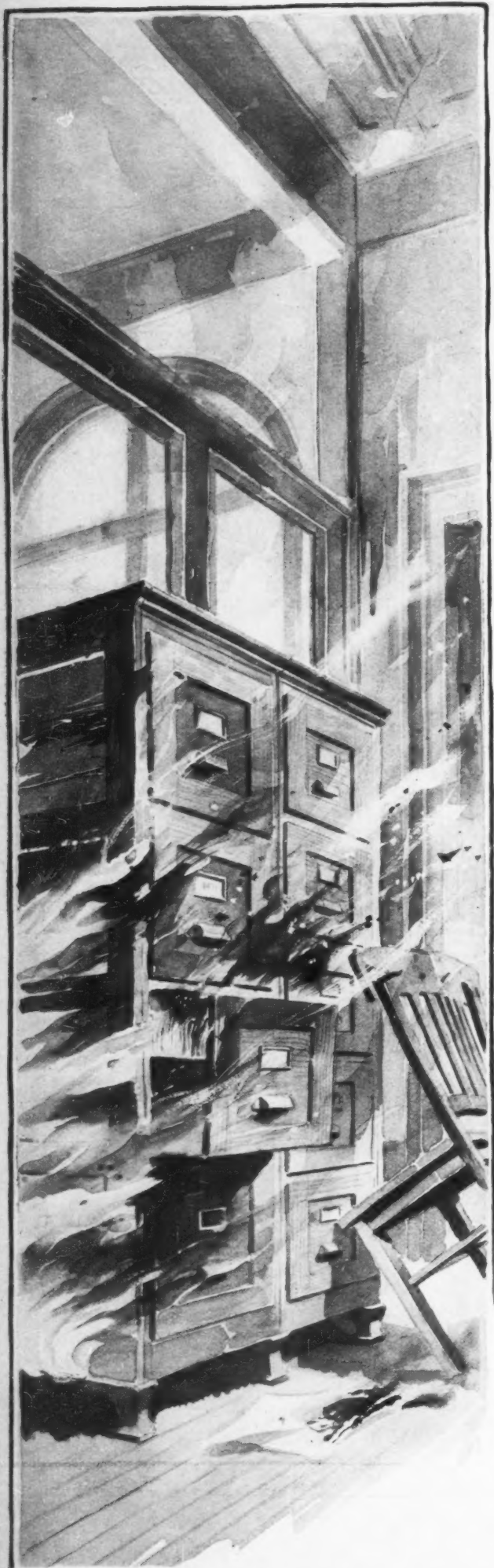
WHEN you become a customer of our Bond Department you will have the investment experience of the Bankers Trust Company at your service. Our officers will be glad to review your lists of investments and advise you that they may be suited to your needs and sufficiently diversified. Because it is our policy to offer to our customers only such securities as we are willing to include in our own investments, you will find in our current offerings—sent to you on request—a carefully selected list of securities which we are buying for our own account.

**BANKERS TRUST
COMPANY**

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New York



The Dead Line of Fire

*Filing Cabinets That Say to the Great Marauder,
"Thus Far and No Farther!"*

HOW much is a piece of paper worth?—Who can say? Nothing today; thousands tomorrow!

Five thousand vouchers have been consigned to the files. Most of them, you will never look at again. They are almost—junk. But suddenly the unforeseeable happens; one of them becomes a superlative point of reference—a two years' old scrap of paper, perhaps, which will prove a payment, cancel a debt, and kill an unjust claim.

Then the miraculous finding system of the files leads you to it, finds you your needle in the haystack; and *then*, in your relief, you know what a piece of paper *may* be worth.

And, then, there are those aristocrats among papers—the documents of unquestioned worth: contracts, mortgages, private data; the work of laborious years whose toil you could never replace; the fruit of a life-time of hard work. These aristocrats are all there, filed impartially with the junk which bears within it the dynamite of the Perhaps, the certainty of uncertain values. And all of it—all—you can find when you want it by virtue of the finding system of the files. Thus the perfect filing system.



But—have you overlooked nothing? Is that the last word on filing? If you think it is you can hardly be blamed; for the pioneers who created that perfect filing system thought for a long time that they *had* uttered something like the last word.

But they hadn't. For one day a business man looked up and said, "Yes, you've done mighty well. But what's to prevent all this stuff burning up? I have papers and records here that I can't insure for mere money. No money could cover their loss. You have put them into miraculous drawers, and you have created for me a memory system that enables me to place my hand on every last item there. But you haven't made them *safe*. You haven't completed the job. Some of them may not matter. I can take a chance with them if necessary; but what of the others, whose value I *know*? These you *must* make safe."



So it became a question of the Perfect Filing System growing into a Perfect Filing Safe-Keeping System. It was a large order. But large orders created modern filing.

Not at all a simple question. Wood cabinets have this virtue, that as long as the wood lasts, no heat can pass it and char the papers within; but wood will burn. Steel, on the other hand, will *not* burn; yet there is a reason why steel gives far less fire protection than is generally sup-

posed: the heat of a big fire will pass through a steel wall as easily as light goes through a window pane; and the papers placed so confidently behind it often char to nothing without a flame having touched them.

Where then was there to be found a barrier that *would* protect? Where was the deadline behind which one could store dynamite as safely as papers? Some filing cabinet men simply waited for the answer; others made cabinets of plain steel, and shouted to the world, "Here it is! We have found it! Steel won't burn; use steel!"

But the men who were seeking the real thing were not satisfied. They kept on; and finally—*they* found it.



Not long ago the United States Navy wanted some cabinets that really would protect. To find them the Navy took steel cabinets made after various specifications, and applied a simple test, a modern-day Trial by Fire.

A Bunsen burner created an even, white heat—any temperature would produce the same relative results; and through the steel walls of one cabinet after another that tremendous heat shot as if nothing had been there, and burned the papers within to a crisp.

All but one. This last was a *different* cabinet: its specifications: a wall of steel, a chamber of dead air, a wall of corrugated asbestos, a second dead air chamber, and then another wall of steel.

And when the flame struck its outer wall, the steel turned red-hot and all but melted from the heat; *but there Fire found its deadline*. It never more than warmed that inner wall of steel.

"Three times as fire-proof as plain steel," said the United States Navy; and it bought on that verdict.



(The cabinets described in the above are "Y and E" Fire-wall Steel Filing Cabinets. One fire would convince you; why *wait* for a fire? Write for particulars.)

Philip H. Yawman
President

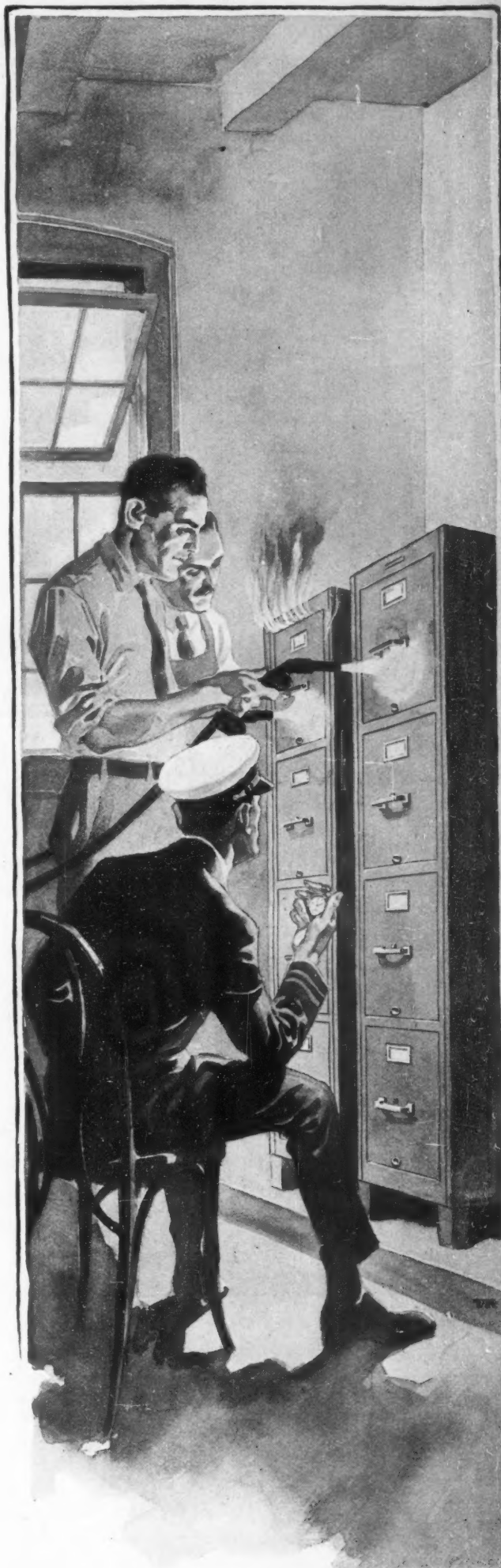
YAWMAN AND ERBE MFG. CO.

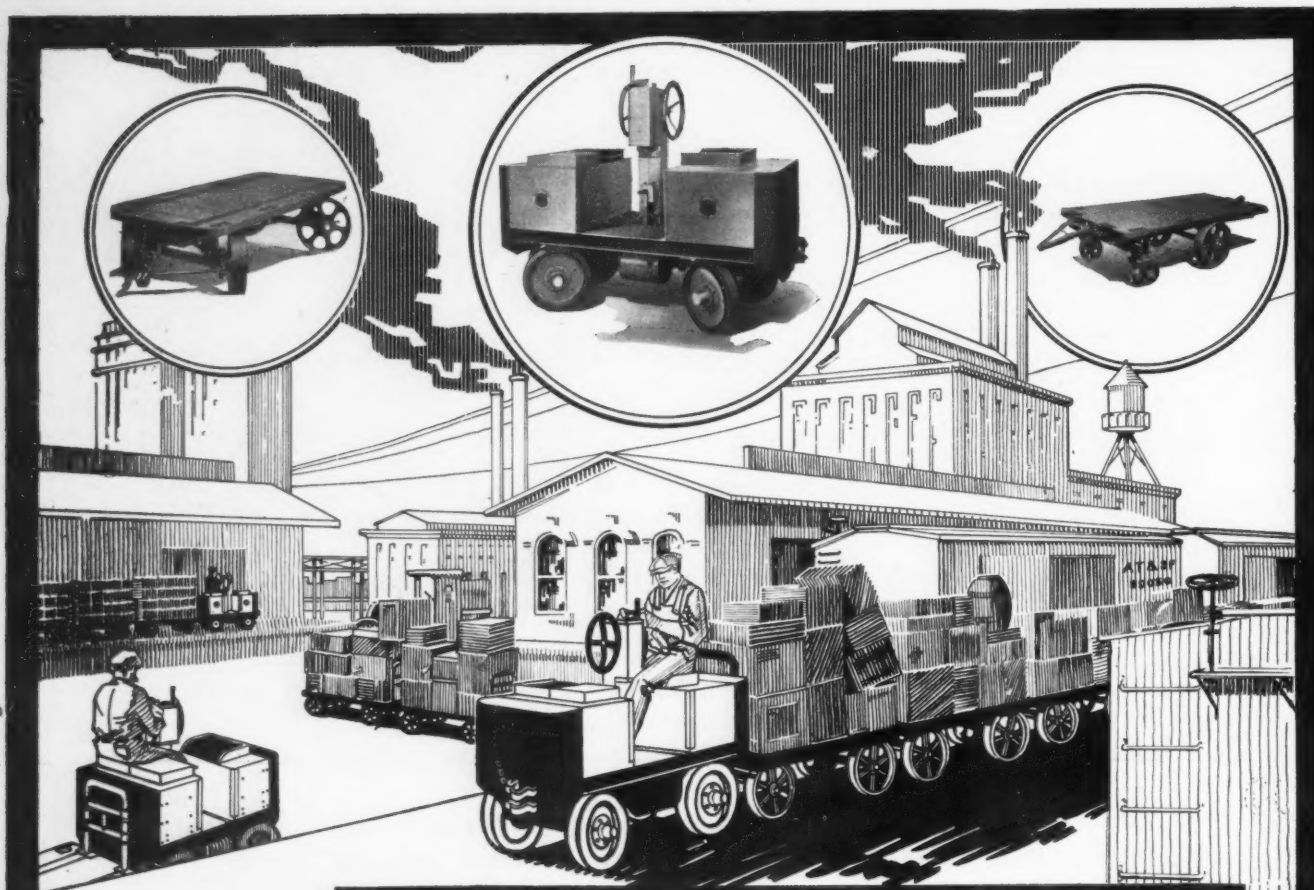
ROCHESTER, N. Y.

Retail Stores, or Travelers, in all cities and towns

In Canada: The Office Specialty Mfg. Co., Ltd., Newmarket, Ont.

Steel Filing Cabinets	Shannon Arch-File Supplies	Efficiency Desks
Wood Filing Cabinets	Record Filing Safes	Transfer Cases
Vertical Filing Systems	"Safe Files" for Blueprints	Folders, Guides
Card Record Systems	Machine Accounting Equipment	Metal Index Tabs





Complete Transportation Service to Every Industry

Whether your plant problem involves the transportation of light or heavy material, in bulk or in packages, for short or long distances, Lakewood can serve you. There are two big advantages, to you, of dealing with Lakewood.

First, the Lakewood line of Industrial Haulage is so complete that whether your requirements call for electric locomotives, cars and track, storage battery tractors and trailers, electric trucks with platforms or V-dump bodies, or storage battery tier-lift trucks, Lakewood can meet them promptly.

Second, you are offered the services of a corps of trained Lakewood transportation engineers. These men will study your plant requirements and recommend the haulage equipment that will earn maximum profit for you. Because of the completeness of the Lakewood line their opinions are unprejudiced.

You can cut production costs while increasing production with a Lakewood Industrial Haulage System. The cost of the system will be repaid in a short time.

A few copies of a recent folder—"How 56 Men Do the Work of 500" are still available. We will gladly send one to you on request.

THE LAKEWOOD ENGINEERING COMPANY
CLEVELAND, U. S. A.
Offices in all principal cities.



Lakewood Industrial Haulage

FLAT WHEEL. FLANGE WHEEL.

ALMACOA

EXPORT DEPARTMENT
ALLIED MACHINERY COMPANY OF AMERICA
51 CHAMBERS ST. NEW YORK, U.S.A. CABLES ALMACOA NEW YORK

ALMACOA

These men are contributing more to the production of the national food supply than any twenty farmers in the country, and are rewarded with a condition of prosperity that was unheard of in the open country a few years ago. This, in my judgment, is the answer to the problem of increased production: education, diversification, business efficiency, the intelligent use of modern methods.

"Transportation: Rail, River and Road. The greatest of these is all three," said one of our national traffic experts recently. And to these three is soon to be added a fourth that is now developing by air. But of all avenues of transportation, the one which directly and vitally affects the development of agriculture is the highway.

We have wasted enormous sums of money in experimental highway construction and maintenance. We are now rapidly approaching the time when we will all be prepared to admit that we have failed and that the paved highway is the only one to be considered in any scheme for permanent development in commerce, industry and agriculture.

The Meaning of Good Roads

WITH the paved highway will come the universal use of the automobile and motor truck, the first for both business and pleasure and the latter for business exclusively. I know of no greater contribution that can be made to the business development of agriculture than the establishment of a complete system of country, state and interstate highways and the adoption of motor vehicles for the transportation of farm products to market and of merchandise to the farm.

The "Ship by Truck" movement inaugurated by various commercial organizations is growing and will continue to grow, but its ultimate success depends solely upon the building of complete systems of permanent highways linking all market centers with the sources of production in the open country.

There was a time, possibly, when every average city and town provided an adequate market for the products of the surrounding country. But that is far from true today. On the contrary, the market facilities of the average city are so incomplete as to discourage the production in great quantities of diversified farm products. Rare, indeed, is the city or town that can truthfully claim a complete, full, well-rounded market for all of the products of the soil.

The idea that market development will follow production is usually erroneous. It is oftener true that the market facilities must be prepared years in advance of the possible production of any given territory. This, of course, calls for commercial pioneering but rarely fails to yield the maximum in ultimate profit. Many great agricultural industries have developed in recent years chiefly through the vision and determination of men who provided first the profitable demand for the raw material.

The city of the future that enjoys the greatest prosperity and the greatest security from the storms of financial depression, will be the city that begins today the systematic building of a well-balanced consuming, manufacturing and distributing center for all of the products of the surrounding territory. If I were attempting to formulate a market program for the average city of today, I would say list all of the products which may be profitably grown on the farms of your territory, and begin now to develop a steady and increasing demand for every one of them.

The matter of organization machinery and method is for local study in the light of con-



Todd Check Forgery Policy Insures All Your Other Insurance

(Todd Pays the Premium)

Todd Forgery Policy is an iron-clad Insurance Policy covering all forms of check fraud that affect the signer of a check.

Like all other insurance, you buy it only for protection "in case of emergency." No bigger emergency ever faces the average business man than to find his bank account suddenly and mysteriously overdrawn, his funds for current expenses wiped out, his credit impaired, because someone has tampered with his checks.

Twenty years of complete security has proven that the safe way to draw checks is with

TODD Protectograph System

which is backed by the Todd Forgery Policy issued under the rigid Insurance Laws of New York State. Todd pays the premiums as a guarantee of its product and evidence of faith that it is Complete Protection. The System consists of (a) Protod chemical-fibre, forgery proof checks, each one registered and safeguarded like a Government bank note and (b) the Protectograph Check Writer with its famous Two-Color shredded amount line.

EXACTLY FIFTY ONE DOLLARS SIX CENTS

Written and protected in two colors exact to the penny. A complete word to each stroke of the handle.

There are 750,000 Protectographs in use, all bearing the Todd name and guarantee of satisfaction.

Mail this coupon for a book showing exactly how business men are swindled. Written in State Prison by a famous check-raiser. This "Scratcher" book is confidential, for responsible business men only, so be sure to enclose your letterhead with the coupon.



TODD PROTECTOGRAPH CO.
(Established 1899)

World's Largest Makers of Checks and Check-Protecting Devices. Sales and Service Branches in 100 cities throughout the World.

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"Scratcher" The Forger His Book

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FREE, please send the "Scratcher" book by a famous forger, describing the temptations of unprotected checks.

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The Working World Wants Oil

"Every barrel of oil added to the world's daily production means Power added to the great effort now necessary to re-establish the industries of the world."



We MAKE the machines
that DRILL the wells that
PRODUCE the oil that
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ditions and experience. No perfect plan has been devised up to this time and none is proposed for the future. Yet, all of the methods we have used possess a large degree of merit, and numerous suggestions for our future guidance. It is supremely important, first, that the plan we adopt be so designed as to bring about the greatest possible co-operation on the part of all the agencies concerned in the problem, and that we work the plan.

Settling for War Work

THE War Department has set out for the benefit of the Treasury the basis on which it settles its contracts. Its statement is:

If the contractor has agreed to terminate production to the extent requested by the War Department, and will waive all claims to prospective profits which he might have made had the uncompleted portion of his contract been performed, he will be paid:

(a) For raw materials, component parts and work in process on hand in an amount not to exceed the requirements of the uncompleted portion of the contract, the cost thereof plus inward handling charges, plus overhead directly applicable. If this full payment is made, title and possession of the materials, parts and work in process shall be transferred to the United States. If by agreement the contractor retains title to any of this material, parts or work in process, the agreed value thereof shall be deducted from the amount otherwise payable.

(b) A remuneration or reward ordinarily fixed at

(1) Interest at the rate of six per cent (6%) per annum on money invested in raw materials and component parts, or if the money was borrowed, then interest actually paid, and

(2) Ten per cent (10%) profit on work in process.

(c) An amount equal to all money which the contractor is compelled to expend to terminate and discharge unperformed sub-contracts or commitments properly made for the purpose of performing the uncompleted portion of the contract.

(d) Such amounts as are necessarily spent in connection with the care and custody of property involved from the date that the contractor has suspended production down to the time of settlement.

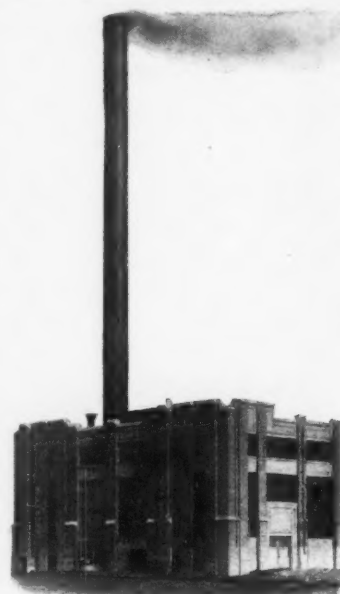
(e) On account of facilities, machinery and equipment acquired for the purpose of performing the contract, and the cost of which would have been recouped had the contract been performed,—an amount which shall be computed as follows:—From the cost deduct the present value, and of the balance take the same proportion that the uncompleted part of the contract bears to the whole.

(f) Any other special item of expenditure which, in the opinion of the Secretary of War or any duly authorized officer, is proper.

For the purpose of determining the exact amount payable under paragraphs (a) and (b) above, raw materials and component parts have been defined, for the purpose of contract termination, as follows:

"All of those materials, parts, articles and supplies, direct and indirect, which are in substantially the same condition, nature or state of fabrication that they were in when they were acquired by the contractor, and in the production, fabrication or assembling of which the contractor has neither employed nor performed labor other than labor connected with custody and handling."

THE United States Shipping Board now announces full membership as follows: Chairman, Judge John Barton Payne; Vice-Chairman, Raymond B. Stevens; Commissioners, John A. Donald, Henry M. Robinson, and Thomas A. Scott.



Good Plant Design

Good Plant Design means more than mere architectural treatment of walls, floors and windows. It means, as we understand it, that the plant is designed to fit the particular business it is to serve—that it is designed for economical construction and operation, and shall have a suitable pleasing appearance.

We accomplish this result by making a careful study of your manufacturing needs, planning the plant to suit them, and applying the fruits of our united experience to the production of an efficient and economical structure.

If you are interested in this sort of intelligent, thorough service, send for our booklet entitled "A Better Way to Build Your New Plant."

FRANK D. CHASE, INCORPORATED INDUSTRIAL ENGINEERS

645 N. Michigan Ave. Whitehall Building
CHICAGO NEW YORK



KREOLITE WOOD BLOCK FLOORS

Outlast the Factory

Kreolite Floors Increase Human Efficiency in the Glass Industry

New Plant of the Owens Bottle Company, Charleston, W. Va., Equipped throughout with Kreolite Wood Blocks

THE greatest factor to be dealt with in the manufacture of glass is the intense heat.

Men cannot safely work around the furnaces which throw out temperatures up to 1800 degrees Fahrenheit, over floors which conduct heat.

Furthermore, most floors soon crumble under this high temperature.

* * *

GREATER endurance, and adaptability of Kreolite Wood Block Floors have made them indispensable to this industry. The specially designed, well-seasoned Kreolite Blocks are first thoroughly impregnated with Kreolite Preservative Oil by our own patented process, then laid so that only the tough end grain is exposed.

Each installation is given individual thought and attention by our Factory Floor Engineers, to fit the floor to the specific conditions it must encounter.

Many installations are made over worn floors without interfering with production.

* * *

THE Plant of the Owens Bottle Company at Charleston, W. Va., furnishes another excellent example of the remarkable qualities of these floors.

UNDER varying conditions of heat, cold and extremely heavy wear, they have stood the test. In 1917, this company constructed a complete new plant at this point.

The floor problems in this plant, devoted to the manufacture of bottles, are both difficult and vital to the success of the industry.

* * *

PART of the floors are subjected to blistering heat. The floors are laid within 18 in. of the melting pots.

In this one plant 200,000 sq. ft. of Kreolite Groove Block were laid according to our specifications. At about the same time, 210,000 sq. ft. were installed in the plant of the Libbey-Owens Plate Glass Plant at Kanawha City, W. Va., and over 100,000 sq. ft. in the Whitney Glass Company's Plant at Glassboro, N. J. The plans for all these plants were designed by The DeVore Company, Toledo, Ohio.

* * *

A LETTER from the Vice-President of the Owens Bottle Company expresses the satisfactory way in which Kreolite Wood Block Floors have met these conditions.

"KREOLITE Wood Block Floors have been proving very satisfactory, they are comfortable under foot, stand up well under heavy trucking, eliminate all dust, and in addition they are more durable than any other floors."

Kreolite Wood Block Floors are now being used extensively in the glass industry. One of the latest plants to install them being the Illinois Glass Company of Alton, Ill. This concern laid 30,000 sq. ft. last winter and has since contracted for 15,000 additional sq. ft. of Kreolite Wood Block Floors.

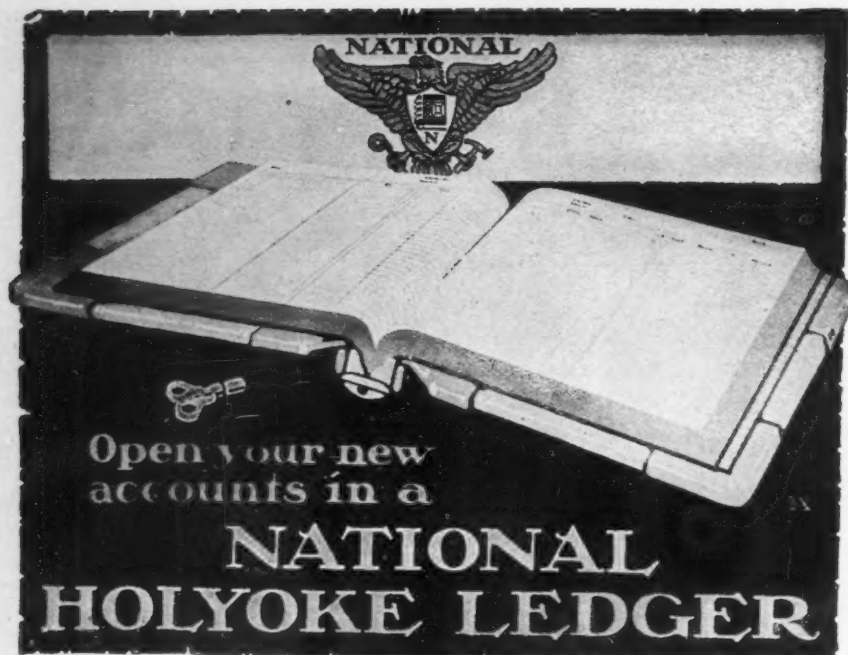
* * *

KREOLITE Wood Block Floors are specially adapted for use in machine shops, foundries, warehouses, loading platforms, area-ways, roundhouses, paper mills, tanneries, stables and garages.

Our book on Kreolite Factory Floors covers this subject thoroughly. It contains authoritative information useful for Construction Engineers, Architects, Industrial Executives and others interested in better and more permanent factory floors. It will be sent upon request without obligation.

The Jennison-Wright Company, Toledo, Ohio

Branches: New York, Chicago, Philadelphia, St. Louis, Boston, Cleveland, Detroit, Toronto and other principal cities



NATIONALIZED ACCOUNTING

The convenience and accuracy of business records are two vital essentials. Accurate records are of little value if they are not convenient and accessible for instant reference. Knowing exactly where to find exact figures and information relating to every detail of your business means modern efficiency.

The National Holyoke Ledgers are practical, well-tested books, guaranteed by the largest blank book manufactory in the world. They are durably bound, with sheets in a variety of rulings. There is nothing better to be had in a first-class medium-priced ledger.

National Loose Leaf Ledgers, with Transfer Binders, Sheet Holders, Price Books and Ring Binders, are offered in all styles and sizes. There are also Special Record and Data books for most business purposes.

Your stationer has, or can secure, "Nationals" for you. Insist upon getting them. Make sure of the *Eagle Trademark*.

This EAGLE Trade mark
Identifies National
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Blank Books



National Blank Books
are noted for their
fine paper and their
strong bindings

NATIONAL BLANK BOOK CO.
HOLYOKE, MASS.

The Immigration of Sukey

LIVESTOCK are entering into international relations. Under the treaty of peace, Germany must make direct reparation in kind to France and Belgium by yielding up livestock in large quantities. Without waiting for these herds, France is coming to the United States for dairy cattle in numbers that look large to the city man who sees only an occasional cow. Stockmen in Brazil are counting upon getting American cattle for breeding up their herds to the demands of a growing packing industry that wants superior beef for Europe. A Uruguayan buyer is now in the country looking for forty or fifty Herefords, Shorthorns and the like, that he may show his countrymen what animals they can find in the United States. To help along in giving our best stock the foreign markets to which they are entitled, our Department of Agriculture has issued in Spanish and Portuguese a pamphlet describing, pictorially and textually the pure-bred livestock of the United States and is sending a special agent to Latin America to tell about the products of our stock farms.

The international movement of livestock is not confined to Germany's borders and the United States. Scotland has even brought itself to send to Serbia some of its most exclusive sheep, which have been treasured almost as carefully as Spanish kings at one time guarded the precious Merino. There is abundant proof that herds have lost none of their ancient importance. So far as we are concerned, the novelty may come in our changing from a debtor to a creditor nation in livestock as well as in gold.

Shying from American Credit

NOW that the blockade of Germany has been lifted, Britain has rather frowned, both upon the advances of large American credit to her and the reported rush of American business to deal commercially with the late enemy. The long history of the American Chamber of Commerce in Berlin seems to have been forgotten in the latter connection.

Regarding extension of American Credits in general it may be noted that Europe is a "sick man," and that, though American credits are argued against for England making the United States War Finance Corporation's attitude of necessity one of merely standing ready to supply them for American traders abroad if they are needed. Still in many cases they would be in the interests both of the American seller and European buyer.

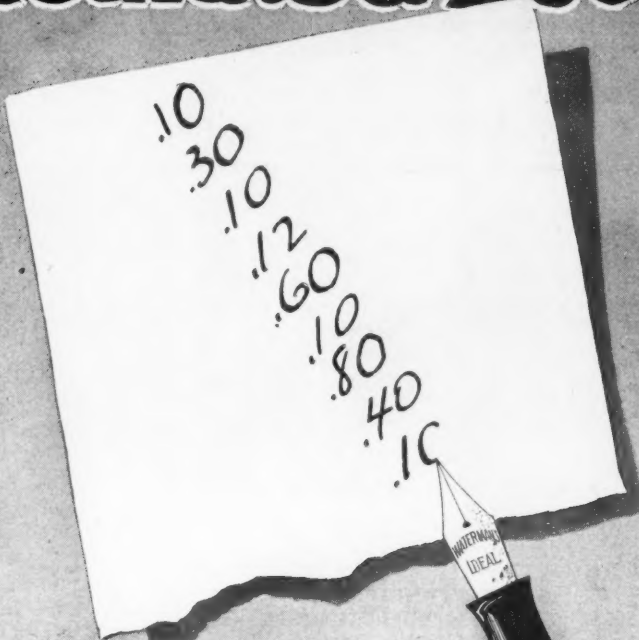
British Cooperatives

AN article in this issue on Russian Cooperatives summons to mind the distributive societies of England which now total about four million members, with a wholesale trade of \$400,000,000. They aided greatly in food conservation and price limitation during the war. Today they operate a coal mine and textile and margarine factories, not to mention others having a large acreage at their disposal and a special agricultural department.

Mark the Mark!

THOUGH there is certainly nothing to fear now from German competition, the present low exchange value of her own currency enables her to flood neutral and allied markets with goods. Rails have recently gone into Holland at about \$40 a ton!

A Calculated Economy



Just total in dollars and cents what you have spent this year for pencils, old style pens and ink. Do not forget to figure for pencils, the portion wasted in sharpening, and for ink for the amount lost in evaporation.

To be conservative, allow at least half in each case. Compare this unnecessary extravagance with the economy and vastly greater efficiency of

Waterman's Ideal Fountain Pen

Sold at \$2.50 and up

Thousands of Waterman's Ideal Fountain Pens have records of over twenty years of continuous unfailing service.

They waste nothing

They are always ready

They make permanent records

They are unequalled in convenience

Indispensable for bookkeepers, authors, doctors, lawyers, salesmen, students, stenographers and social correspondence.

Three types, Regular, Safety and Self-Filling. *Sold by best Dealers*

Use Waterman's Ideal Ink

Best for Fountain Pens and general use as well

L. E. Waterman Company, 191 Broadway, New York
BOSTON CHICAGO SAN FRANCISCO





Ease in Old Age

ARE you making adequate provision for the years when your productive power may be less? No better way of accomplishing this is possible than by investment in well-chosen bonds.

By means of 50 correspondent offices in the leading financial centers of the United States, the National City Company has readily accessible sources of information which should prove valuable to an investor in the selection of a bond.

Any of these 50 offices will be glad to place our national bond service at the disposal of investors. More than 10,000 miles of private wires unite our correspondent offices.

The monthly list of bonds and short term notes offered by this Company, together with their income yield, will gladly be sent upon request. Send for H-106.

The National City Company

National City Bank Building
NEW YORK

Bonds Short Term Notes Acceptances

And Now England's Got 'Em

THE word "trust" is an epithet the modern world has for a business situation it does not like. When a country announces through its public prints that it has found a trust existing within its borders every other country with access to news reports assumes an attitude of superior commiseration. The pillorying of a black sheep in a village family causes no more wagging of neighborly heads.

Trusts are not the same the world around. There are fashions in trusts, and in this case the London fashion does not by any means set styles for New York, Chicago and San Francisco. If these American communities followed the cut, measurements and sartorial effect of London in the economic field, the federal courts would have a mighty grist of police cases under the Sherman Anti-Trust Act, and would with popular acclaim inflict all of the pains and penalties of which that law is capable.

The fact is, England and the United States long since parted company on the subject of trusts. They had much the same ideas in 1776, centering around such antique phrases as forestalling, regrating, badgering, and the Statute of Limitations (which got resurrected this summer at the hands of British free-traders who scented a protectionistic policy in their government's restrictions on imports). Awakening of America's industrial possibilities in time caused a difference in point of view. As consumers of our own products we came to value competition among our own fellow citizens who found in our wants and desires an almost insatiable market. Eventually, we laid it down that our public interest requires that freedom of competition should be preserved, even if freedom of contract suffered impairment. England, on the other hand, with her relatively smaller home market and her prosperity tied up in her trade with countries overseas, declared for freedom of contract, although it might diminish competition.

That Was Cricket!

SO it came about that the House of Lords, after we had our Sherman Act in full force, held that steamship companies which resorted to extreme methods to exclude an outsider from a trade they wanted to keep profitable for themselves were merely exercising their inherited Anglo-Saxon right to make contracts. When Australian coal companies entered into an agreement to fix prices at which they could operate at a profit the Privy Council of England—the great imperial supreme court for British dominions—said it was not contrary to public interest to form an association that would stop cut-throat competition. Suppression of competition has not been the test for illegality in England but detriment to the British public interest.

A British committee has now surveyed the results of British policy. It was appointed by the Minister of Reconstruction. Its labors would seem to have been comparatively light; for it managed to finish its task with fifteen meetings and needed no such compendious efforts as fall to our Congressional committees when they essay excursions into this field. In 1912 a Senate committee rolled up a record of 2,900 printed pages and in 1914 a House committee added 1,500 more, and neither felt it had exhausted the possibilities.

Be that as it may, the British committee found in every important branch of industry in the United Kingdom an increasing tendency to form combinations to restrict competition and control prices. In the light of

the text of the report, the tendency would seem to have achieved considerable results. For example, there is the furniture federation. Upon its formation, the production of the country and each manufacturer's share were ascertained. Each concern was then assigned its proportion. If it produced more, it had to pay 5 per cent. by value into a pool; if it fell below its allowance, it got 5 per cent. of the deficiency. Accordingly, it could shut down and get 5 per cent. on the value of its normal output. The total result was that the less efficient units went out of business under an honorable "pensioning" system that, if put into practice in the United States, would "pension" somebody in a penitentiary and make his name anathema for the space of several generations.

Foreign competition in England comes within the purview of some of these arrangements. In one of the metal industries the distributors agreed not to import competitive goods on condition that they should have an increased margin of profit from the domestic manufacturers.

"Cut Out Foreign Competitors"

COMPETITION in foreign markets also has attention from associations in industries that are concerned. Representatives of British associations agreed that one of the beneficial results was power to control prices in the home market at a level which would permit selling in foreign markets at lower prices, and even at a loss. Some of these associations even have fighting funds with which they enable members to sell abroad "at less than an economic price in order to cut out foreign competitors." It would seem fortunate for us, in the interest of our own preservation, that we have the Webb-Pomerene Act on the statute book, to allow our exporters to act together in export trade, even though they carry with them into foreign lands, under our modest law, all of our own prohibitions against unfair methods of competition.

The British report prints some learned disquisitions upon combinations that are horizontal and combinations that are vertical. It also devotes several pages to a summary of typical instances of the trusts our official bodies say we harbor in our midst. All the while it is deliciously oblivious to the wide difference between British notions and American standards and proceeds on the supposition that a trust is a trust, wherever it is found.

A trade union organizer refused to appear and testify, because he was "sick and tired of committees, commissions and investigations"; nevertheless, he avowed that, even though he found it easier to get fairly good working conditions from combinations, he thought the workpeople in the long run suffered as consumers.

To see that the public interest is not exceeded, the British committee could think of nothing but a bit of plagiarism. It recommended creation of an agency that would be patterned after our Federal Trade Commission and similar bodies. Being British, it liked a sporting proposition, and would make such a body the custodian of the public interest and then enjoy watching it struggle with its task. The sportiness of the proposition was not decreased by some uncertainty on the part of the committee whether it would witness a tiger hunt or a chess game. But as for putting an end to existing associations that tamper with prices and output and everything else that is holy in the United States, the report has not a word from beginning to end.



Helping America Feed the World

America's vast acres, seemingly as limitless as the canopy of the heavens, challenged the mind of man to build a greater civilization. A climax of the answer is the tractor—engines that wrest from the soil the bounties of fiber for cloth, grain for food and fruits of vine and tree that are the hope and support of the world's greatest nation and of the world itself.

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A TANK CAR AN HOUR

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POWER PLANT EQUIPMENT MOTORS AND CONTROLLERS



Power by the Ton

Suppose you had to pay for coal you didn't get—

Suppose that, day after day, there was a steady loss from your bunkers—

Suppose that a considerable percentage of the substance you thought was coal turned out to be slate—

You'd be no worse off than many a manufacturer who is today buying his power by the ton.

For the average factory owner who maintains his own power plant, pays for tons of coal wasted up the stack, representing lost energy instead of useful work.

He pays for heat wasted by scale in the boilers and soot in the flues.

He pays for steam wasted through the poorly fitted slide-valve and the carelessly packed piston-rod—for steam that escapes from little leaks in steam pipes between boiler and engine room.

Moreover, he pays for power wasted

through flapping, swaying, slipping belts, through long lines of shafting, through improperly aligned bearings.

Then, too, there's the steady charge that always goes on for labor, for the engineer, the firemen, the oilers, and the belt repairmen, whose wages must all come under the heading "power."

These losses and many less noticeable, but all adding to total power waste, always face the factory man who buys "power by the ton."



Westinghouse

POWER PLANT EQUIPMENT MOTORS AND CONTROLLERS



Power by Wire

When power comes by wire there's nothing to pay for except power that is actually used.

There's no problem of steam leaks or insulation of pipes—

There's no problem of help in the boiler and engine rooms—

There's no power wasted in belts and in long lines of shafting.

A motor at every machine not only eliminates all of these common steam plant wastes, but provides power of the most flexible sort. Every machine is independent and the speed is under absolute control of the operator.

The power is generated at less cost in the central station, and with far greater reliability.

If you'll investigate the factories of men who have shut down their steam power plants, and have abandoned old fashioned belt drive

for the cleaner, more efficient, more satisfactory individual motor drive, you can get first hand the stories of many motor drive enthusiasts.

You will perhaps find, right in your neighborhood, a factory that has profited greatly by the advice of Westinghouse engineers, in making the change to individual motor drive. This engineering service is offered to all manufacturers and is put freely at your disposal.

WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY
East Pittsburgh, Pa.



The Staff of Industrial Life

COAL comes pretty near to being the staff of industrial life. On this point most people will agree, and it seems to be the only unanimous decision of the Coal Commission after hearing testimony from a multitude of witnesses and trying to come to some conclusion upon England's proper policy for improving working conditions in the industry. In making final report there was earnest unanimity upon one point which had come quickly to the front in the spring, when production declined to such an extent as to alarm the country, well-nigh extinguish England's proud export trade in coal, and make it certain that the country would continue on war rations in fuel, light, and power; all members of the commission agreed that there should be an immediate investigation of the startling decline in production of coal and a quick stop put to such a retrograde movement.

Otherwise, the commission presented four reports, each signed by a separate group of members. The chairman and six members, including the representatives of the men, recommended that the government acquire at a fair valuation the ownership of the coal from the 4,000 holders of title and buy the whole mining equipment. Operation of each mine would then be placed in charge of a manager who would be advised by the local mining council; if he and the council disagreed there would be appeal to a district council.

In administrative charge of the whole scheme there would be a Minister of Mines, who would appoint the chairman and vice chairman of each district council. Of the other members, the workers would choose four, the consumers four, and technical and commercial interests four. The district councils would decide questions of operation, wages, prices and distribution, and appoint the managers of the mines. Each local council would have ten members,—the manager, the assistant manager, and the sales agent, four representatives of workers and three members selected by the district council. As advice is a large element of the scheme, the Minister of Mines, too, would have an advisory committee, of no less than eighteen members.

Five members of the Coal Commission also represented the mine-owners' point of view suggested a Ministry of mines, district councils, improved housing, and arrangements for distribution, but saw in nationalization nothing short of disaster.

The filing of the report does not by any means solve the problem of what England will do with its coal mines. Parliament has that task before it. For the moment that body may be most concerned with decreased production,—England is still rationing coal,—with England's vanishing export trade in coal, and with the more recent announcement of another increase in the price of coal to be effective on July 16, this time, an increase of \$1.50 a ton! The average Britisher is likely to conclude that coal mines are a tremendous amount of bother. His brethren in Australia may entertain like sentiments, too; for conditions threaten a shortage of coal in the Australian winter and the government has taken over the mines of New South Wales, with a result there is in prospect an increase of seventy-five cents a ton for coal in Australia.

As for ourselves, we have not been producing coal in 1919 at the rate we turned it out in 1918 or in 1917. The difficulty has lain in the lack of demand, for which the stocks accumulated by users last winter in anticipa-

(Continued on page 87)

ANALYSING AN INVESTMENT

In making the analysis of a recent proposition for a bond issue we employed

- Two Lawyers—One Accountant—
Two Engineers
- An Expert in Municipal Govern-
ment—A Tax Expert
- An Industrial Organizer
*in addition to our own experts in
credit and banking*

The specialists and experts used in making the analysis of the security back of an issue of bonds are often more numerous than in this case.

Accurate Information is Indispensable.

What are your facilities?

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offers for sale only securities which have been approved by experts who have spent years in the study of investment problems—whose experience has covered a wide field.

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A DEPARTMENT for the SAFEKEEPING OF SECURITIES has been provided and has given great satisfaction to our customers. COUPONS AND INTEREST RETURNS on securities placed in safekeeping are collected when due and the proceeds are credited or remitted as the owner may desire. The charge is negligible.

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RESOURCES MORE THAN \$450,000,000



“When You Get to the Crankshaft Call in the Anderson Engineers”

The old established manufacturers will tell you that there is undeniably something resultful about a conference with the Anderson Engineers.

Perhaps this merely reflects the close connection of Anderson with so many of the recent automotive successes.

Perhaps again it is a frank tribute to the broad knowledge of crankshaft design and specifications developed by the Anderson organization through years of intimate contact with the industry.

In any event, there is observable among the larger makers a distinct tendency to dispose of crankshaft problems with the simple statement—

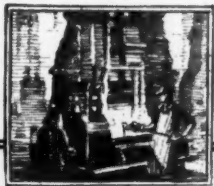
“When You Get to the Crankshaft Call in the Anderson Engineers.”

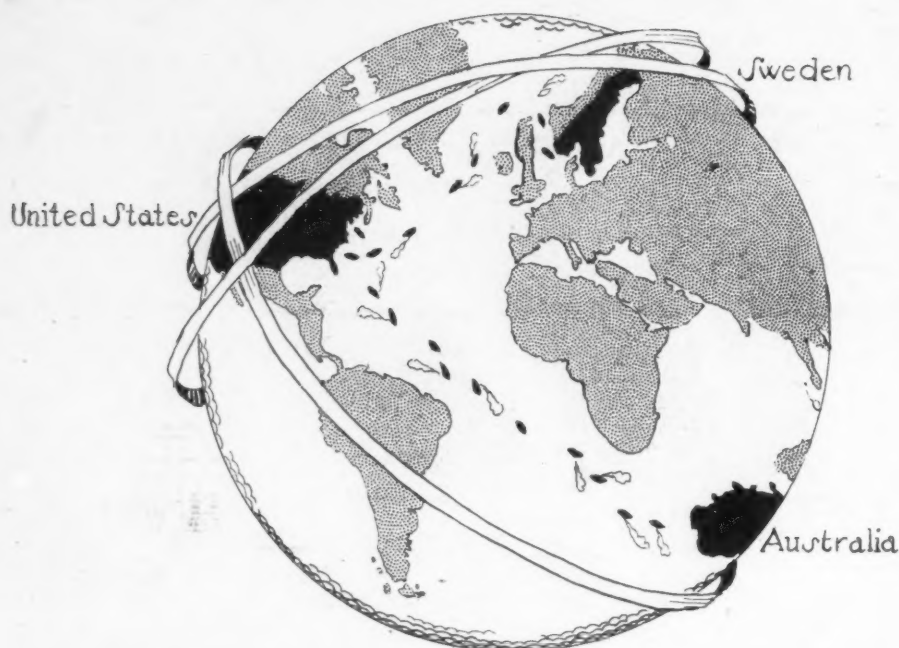
ANDERSON FORGE & MACHINE COMPANY, DETROIT, U. S. A.



Anderson

Drop Forgings





TRADE TIES THAT BIND

Across trackless oceans and imperial boundaries, Commerce flings its fleets. Nations are leagued by common interests.

America can be mistress of markets on which the sun forever shines. Orient and Occident need goods which our farms and myriad factories should supply.

The New York Evening Post International Series fosters friendship among nations, tells the "what" and the "where" of opportunities and presents—to all who are looking for larger markets—an extraordinary audience for your announcements.

Two forthcoming numbers will be devoted to

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September 13

AUSTRALIA

September 27

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World-wide Business will study these authentic numbers—and POST-publicity will put POST-power into *your* enterprise.

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tion of bad weather that did not materialize have been partly responsible. During the last week in June, however, production began to look up a bit, attaining for the first time in six months a volume equal to the rate of output in January. We shall all do well to make haste to get our bins full, against the evil days of a winter less salubrious than the season of 1918-1919.

One Irritation Is Removed

GREAT BRITAIN has now lifted all restrictions on telegrams to and from the United States and Possessions, following the practical discontinuance of the postal censorship. Use of codes and abbreviated registered addresses is again open to American business men cabling the other side. Censorship restrictions have, however, not yet been withdrawn by the proper authorities in France, Italy, Norway, Sweden, Denmark, Holland, Switzerland, Portugal, and enemy and enemy territory. Hence British regulations with regard to those countries still remain in force!

Dye Mission to Enemy Countries

DYE importers from America and British distributing merchants will be represented upon a commission soon to be sent into Germany and Austria by the Dye and Chemical Trade Group of the London Chamber. Import and export possibilities and precautionary measures will be carefully studied. The London Chamber is requesting official recognition from the State Department of the American delegates upon this commission, whose investigations should prove of distinct value toward the protection of this new American industry.

The Needed American Shoe

IMPORTATION of shoes from the United States to England remains limited to 25% of the 1913 imports, while all other major trades enjoy at least a 50% concession. The Department of Import Restrictions of the British Board of Trade has so far refused alteration of this ration.

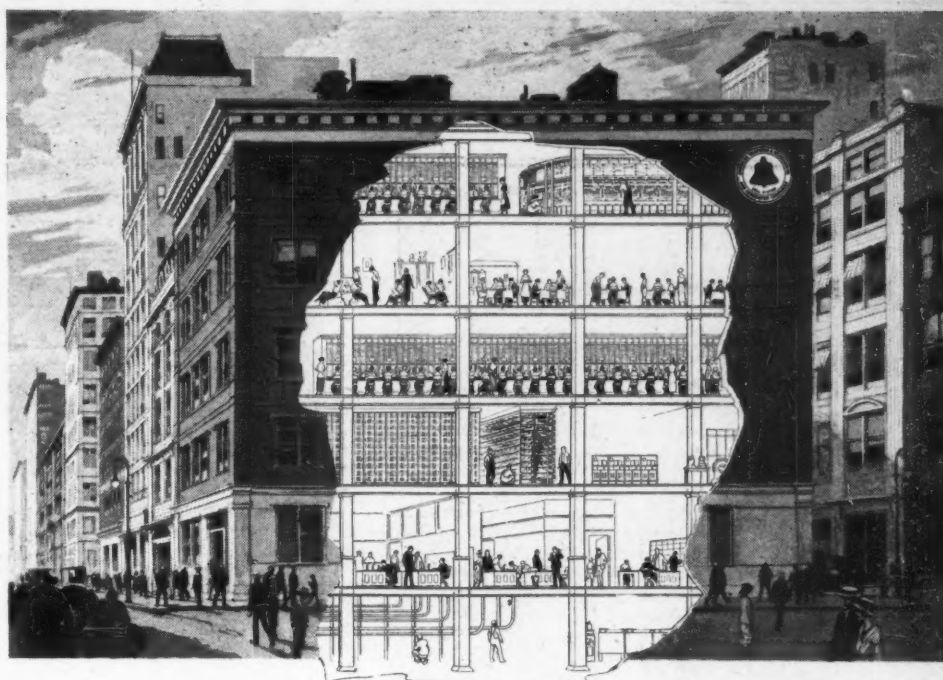
The Boot and Shoe Trade group of the London Chamber is therefore endeavouring to have these drastic restrictions removed, both by further discussion with the British Board and action from Washington. The British manufacturer alone cannot hope to cope with the present shoe scarcity in England, already manifesting itself in a rapid climb of prices.

That Restless Feeling

THE National Industrial Conference has just published an Interim Report of the Industrial situation in Great Britain, France and Italy by its special commission which visited these countries in March, April and May of this year. It reports the chief causes of the great industrial unrest in the countries visited to be due to the long strain of the war, the disturbance of modern economic life, the high cost of living and absorption into English thinking of revolutionary Continental ideas.

The Triple Alliance, made up of the organized workers among the coal miners, transport workers and railway men, typifies the strongest radical labor element in England today. The war has united France, but the radicals are strong. In Italy the laborers are not largely unionized but, as in Great Britain, radicals are active. In general it was found that a very large percentage of the workers in all three countries were opposed to methods of force and action against law and order.

The real solution the Committee believes will be found in increased productivity and



The Great Task of Construction

With the coming of peace the Bell System faced an enormous construction program. Conditions arising from war resulted in the wiping out of the reserve equipment normally maintained, and necessary to give prompt connection to new subscribers. The release of industry and accumulated growth of population now makes telephone demands almost overwhelming.

Telephone construction, including buildings, switchboards, conduits, cables and toll lines, must, from its inherent nature, be undertaken in large units. A metropolitan switchboard, with its tens of thousands of parts, may require from two to three years to construct and install.

Only great extension can meet

the present excess burden of traffic and provide for future requirements. Extension which cares for immediate demand, only, is uneconomical and calls for continuous work of such a character as to be frequently detrimental to the service.

During the war the Bell System devoted all its margin to the needs of the Government. The great task of getting back to normal pre-war excellence of operation requires the re-establishment of an economic operating margin capable of taking care of a larger growth than has ever before confronted the Bell System.

Construction is being pushed to the limit of men and materials; while every effort is being made to provide the best, present service.



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AND ASSOCIATED COMPANIES

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Universal Service

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LABOR WILL PRODUCE IF!

Under our direction thousands of laborers are inspired with confidence and co-operate with their employers as they should.

We make workers understand the importance of individual effort and thereby increase production and human efficiency as well as eliminate strife.

Sherman Service concerns itself only with the human element in Industry.

Through our successful efforts harmony becomes effective, labor turnover is diminished and the causes for unnecessary waste and loss are removed. The hazards of fire and accident are reduced.

Our knowledge has been gained through ten years of actual and active experience. We enjoy a character unquestioned by those thousands of concerns we have served, and we comprise an organization founded and developed on the basis of square dealing, built up to its present extent solely through service rendered.

Let our nearest office tell you all about *our* work.

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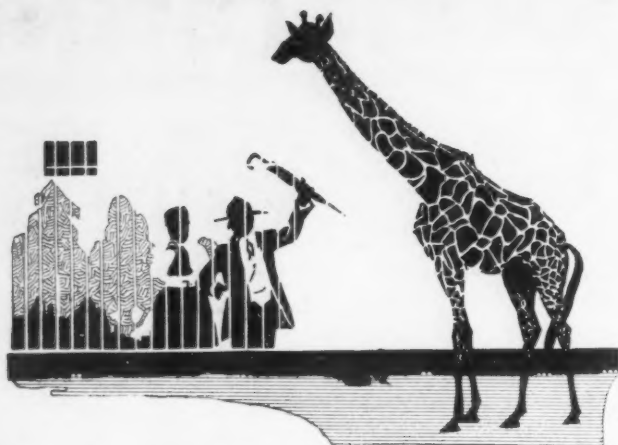
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genuine open-minded leadership on the part of employers, with corresponding fair-mindedness from labor.

The Channel Tunnel Again

A PARLIAMENTARY committee on the construction of the proposed channel tunnel between England and France has recently appointed a deputation to approach Lloyd-George on the subject. It is said that the Prime Minister and other ministers favor the scheme and that the work involved would benefit the present employment situation in England.

Tax Collector of Liquor Detector?

PERHAPS the most difficult government function is directed by the Commissioner of Internal Revenue. It involves the pocket books of nearly every individual and corporation in this country; it plucks America by its vital money nerve. The machinery of the Department is elaborate, its responsibility enormous. Approximately four billion dollars were collected by it from taxpayers at the close of the past fiscal year, and a collection of some six billion is forecasted at the end of the next month. Now comes the Anti-Saloon League wishing more work upon it, desiring to place under the Commissioner the machinery for enforcing national prohibition.

The Commissioner of Internal Revenue and the Secretary of the Treasury have recommended that this work be turned over to the Department of Justice under a separate Assistant Attorney General.

Why Not Fix Prices?

(Concluded from page 40)

head that more dollars in his pay envelope does not mean more actual purchasing power. He cannot for the life of him see that the consumers are simply paying higher wages to themselves as laborers, and that he merely has the luxury of handling more money. We cannot rid ourselves of the money camouflage. The prices of all goods are marked up 100 per cent and we think we are wealthier. We are still intoxicated by a great military victory, we are justly proud of the triumph of our ideals, but we have misconstrued the results of that victory. The defeat of Germany was accomplished only by a terrific expenditure of life and physical property. Although the brunt of the loss of life and property fell upon our allies, the net vacuum in the world's wealth must be filled partly by our exertions. The larder of the world's cupboard is very bare at present and where there is starvation and scarcity prices must be high. High prices are but the evidence that there is not enough to go around, that there are more people demanding food than there are producing it.

The printing of more money or the marking down of prices will not cure the disease of underproduction and of want. The Russian peasant asks for bread, but they give him Bolshevik paper money, which is no more comforting than the biblical stone. Industrial unrest, strikes, and price-fixing will avail naught unless there is more production of the good things of life. An abundance of goods will inevitably spell lower prices and higher real wages. High prices are a blessing in stimulating more production and eventually lower prices.

Congress and the President can help to solve the problem of the high cost of living by pointing out that there is no nostrum that will give us substantially lower prices and still maintain high wages, and that there is no financial legerdemain by which we can create wealth without good hard labor.

AVOID BREAKAGE LOSSES

DON'T discount the efforts of your salesmen by sending out shipments that may be broken or pilfered. Service cultivates re-orders. *Know* your goods arrive in A-1 condition. Re-orders will result.

The Pioneer withstands rough handling and delivers your product undamaged. It is carrying loads up to 500 lbs. safely. The reason is found in the special construction—light, tough wood,

firmly end-trussed, the whole tightly wire bound. A twist of the wire seals them. Pilfering is discouraged. Claim adjustments drop.



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Your Globe Sprinklers are watched as closely as they watch your building

Globe Automatic Sprinklers are the most efficient of all fire fighters. In addition they are properly maintained and thoroughly inspected. Maintenance and inspection are really a most important phase of *all* sprinkler systems—with the Globe System you secure that complete inspection service so necessary for absolute efficiency at all times.

This new division will thoroughly inspect, at regular intervals, every Globe installation, to make certain that it is in perfect condition—that your men, who are in charge of it, thoroughly understand its operation and care—and that you are informed always as to its condition, and how well your employees are taking care of it.

This service, that insures the perfect condition of the most perfect of all sprinkler systems, is something you should know all about. Let us send you the details.

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The National Purse

THE Federal Reserve Board reports that analysis of this country's present monetary situation shows a net increase of the public debt to August 1, 1919, of \$24,518,064,840, while net deposits of all banks in June, 1918, (the latest date for which figures are available) was \$26,769,546,000. Assuming date of December 1, 1918, marks the beginning of the post-war period, changes during this period up to August 1, 1919, show a net decrease in circulation of \$333,095,000, or \$2.97 per capita.

Inevitable credit expansion has taken place. The principal cause of the advance of prices before and during the war was the urgent need of the allied governments for goods for quick delivery in large volume, and the competition of this buying by governments with purchases by private individuals who failed to contract their expenditures at a rate commensurate with the growing expenditures of these governments. In the post-war period through which we are now passing, the country has experienced rising prices owing, in part, to a general relaxation of the war time regime of personal economy, resulting in an increased demand for commodities by individuals who restricted their purchases during the war, but are now buying in competition with export demand. In addition, accrued income and increased wages have led to heavy demands for commodities not of prime necessity, which have resulted in diverting labor and material from essentials to non-essentials.

The Board believes any currency legislation at this time to be unnecessary and undesirable. The remedy is stated as being to work and save.

A Hundred Million Buyers

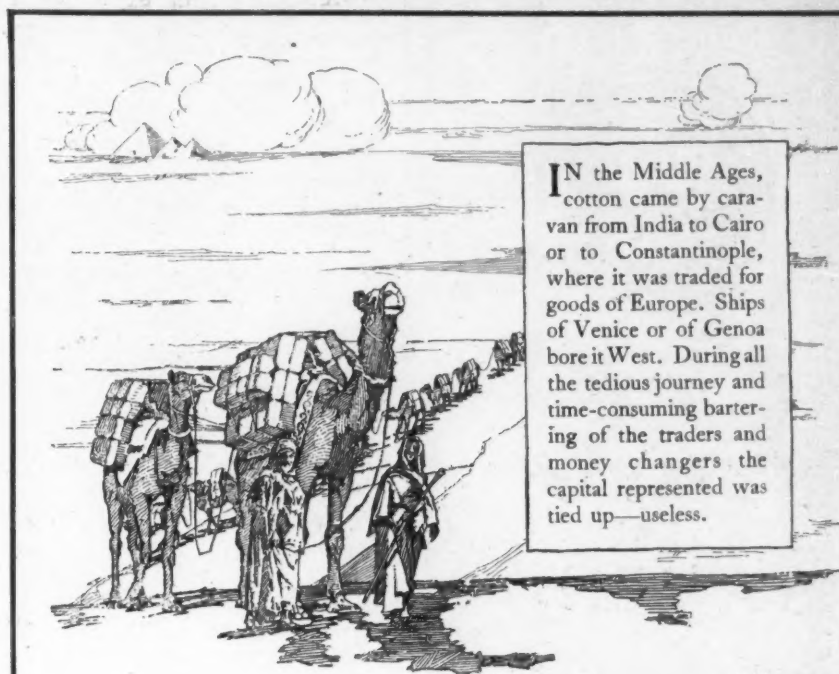
(Continued from page 23)

fundamental principle of organization is very similar in the Producers' and Credit Societies. These can only be briefly touched upon here, but they are of equal importance with the Consumers' Association as branches of the Cooperative Idea.

One of the Producers' Societies, the Union of Siberian Creamery Associations, for instance, comprises 1,994 creameries and 1,989 distributive stores. In 1918 its turn-over was 218,056,150 roubles. At that time it controlled the major portion of the manufacture of creamery products. In 1918 the individual membership was 600,000, and its production was 60 per cent of the Siberian output—or 79,481,772 pounds. The organization has a reserve capital of 8,958,113 roubles and real estate valued at 700,000 roubles. This property includes factories making oil, rope, soap, and rebuilding agricultural machinery. During 1918 the Union supplied the District Unions with products amounting to 23,000,000 roubles.

Another important Producing organization is the Central Association of Flax-Growers. It controls a large share of the flax export of Russia.

Practically all the banking business of the Cooperatives is done through the Moscow Narodny Bank, the American representative of which is I. J. Sherman. It has thirty-three branches in Russia and Siberia and buying agencies in New York and London. Shareholders are exclusively Cooperatives, with a membership of about four million individuals. It loans only to the societies, not to individuals or private capital. It forms the backbone of the Cooperative Credit Societies.



IN the Middle Ages, cotton came by caravan from India to Cairo or to Constantinople, where it was traded for goods of Europe. Ships of Venice or of Genoa bore it West. During all the tedious journey and time-consuming bartering of the traders and money changers the capital represented was tied up—useless.

Modern Commercial Banking

THE commodities of modern commerce are carried, not over shifting trails and on crude, uncertain vessels, but over highways of steel and on great ships regularly plying the ocean lanes.

The complex organization which exists to bring the raw material to the manufacturer, and the finished product to the user, depends, for its proper functioning, upon the assistance supplied by modern commercial banking.

For example, at no time in the progress from seed to cloth does cotton represent idle capital. The grower may be financed through his local bank; the buyer and the mill may secure capital to carry on their operations; and the finished cloth may be a basis for credit whether it be sold in New York, Rio, or Shanghai.

Modern commercial banking multiplies productive capacity through the proper provision of credit. Its wise use lies at the foundation of commercial and industrial prosperity. Every service of commercial banking is available through this Company.

Guaranty Trust Company of New York

New York	London	Liverpool	Paris	Brussels
Capital and Surplus	-	-	-	\$50,000,000
Resources more than	-	-	-	\$800,000,000



The SYMBOL of SAVING

Money is an asset, spending wisely is an accomplishment, saving sensibly is advisable.

Every *Green Stamp* book in a person's possession means that money has been wisely spent and a sensible saving will be made. A check book in the hand doesn't necessarily mean there's money in the bank, but a stamp book in the hand means economy in the home.

A close study of the merchandise to be had in exchange for *Green Stamps* will show that practical articles for the home are the rule, not the exception. Such needs as Carpet Sweepers, Preserving Kettles, Sauce Pans, O-SO-Ezy Mops, Coffee Pots and countless other everyday requirements are amongst the assortment.

Every *Green Stamp* collector in the United States knows that these tokens will save them money and thousands of merchants know they know it. The *Sperry* Service is the service for saving.

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The Credit Societies differ from the Consumers and Producers in that the Credit Society's purpose is to finance for the peasants the purchase of farm implements, while the chief function of the Consumers' and Producers' Societies is to buy commodities to be consumed.

There are 1,350 Credit Associations in Siberia, consisting of from three hundred to two thousand farmer members. Each of the twenty-six Unions includes from thirty to one hundred and fifty Credit Associations. Only the eldest member of a household, who is the owner of the tools of production, is admitted to the Association. He cannot at the same time be a member of another Credit organization. His responsibility is equal to double the amount of credit open to him and continues for two years after withdrawal.

This organization has received credit from the Russian Government as well as from private capital. The Credit organization most active in the United States at this time is the United Credit Unions of Siberia, "Sincresoyus," formed by all Unions of Credit Associations in Siberia, twenty-six in number, which operate across the country from Cheliabinsk to Vladivostok. The Sincresoyus represents 1,127,000 peasants. Its joint capital, with that of its component parts, is 614,500,000 roubles. Its President, Gennady N. Bersoneff, is now in this country to purchase tools, agricultural machinery, automobiles, tractors, binder twine, equipment for saw-mills, corn mills, tanneries and other factories.

The Cooperatives will be much strengthened by putting an end to certain family quarrels, which will enable them to present a combined front. Their weaknesses are typically Russian.

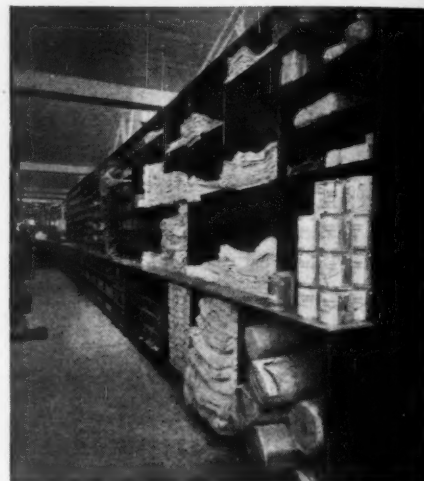
Will They Survive?

THE Cooperatives have not exhibited the efficiency of great private business concerns; but they realize that they must have that efficiency if they are to survive. The Russians see that they are soon to face a struggle with private capital. They are here ostensibly to ask our financial aid, but at the same time are studying our methods and will welcome an economic mission to serve in an advisory capacity.

Conditions in Siberia are still chaotic, but they are far from hopeless. Russia has been demoralized before and has found herself. She is slowly but surely reorganizing her internal conditions. It will not be a great while before risks in Siberia have reached a minimum. American business men are holding off because the lack of government support in this country involves risk. Japan and Great Britain are willing to take that risk. They are highly organized, both internally and in their foreign policy. Individual losses will be equalized. But the Russian peasants, private capitalists and the Cooperatives would rather deal with America.

They feel that Japanese capital is too closely connected with Japan's militaristic policy. They fear rapacity. Japan seeks its investment mostly in government contracts and supplies and is eagerly ready, they feel, to help restore bureaucracy to power. They feel that American capital gives preference to representative institutions and is free from imperialistic designs. They know that business contact with America will strengthen them in the line of free competition and secure a political order built on guarantees of constitutional rights. With the inevitability of an invasion of foreign capital upon them, they turn to America and warmly desire our cooperation in combined enterprise. The time has come when we must answer.

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